

EXHIBIT “A”

SUM-100

SUMMONS
(CITACION JUDICIAL)

NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):

United States Fire Insurance Company, a Delaware Corporation; Crum and Forster, Inc., a New Jersey Corporation; and Does 1 through 50 inclusive

YOU ARE BEING SUED BY PLAINTIFF:
(LO ESTÁ DEMANDANDO EL DEMANDANTE):

Bob Campbell Ranches, Inc., a California Corporation

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

FILED
SUPERIOR COURT of CALIFORNIA
COUNTY of SANTA BARBARA

SEP 30 2015

Darrell C. Parker, Executive Officer
BY B. Delabra
B. Delabra, Deputy Clerk

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form. If you want the court to hear your case, there may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.

AVISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 o más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desear el caso.

The name and address of the court is:

(El nombre y dirección de la corte es): Santa Barbara Superior Court,
312-C East Cook Street, Santa Maria, CA 93456-5369, Cook Division

CASE NUMBER:
(Número del caso)

15 CV03292

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
Paul Hart, Esq., Moncrief & Hart, PC, 16 West Gabilan Street, Salinas, CA 93901, (831) 759-0900

DATE:
(Fecha)

SEP 30 2015

Clerk, by
(Secretario)

B. Delabra

Deputy
(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010).)

(SEAL)

NOTICE TO THE PERSON SERVED: You are served

1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):

3. ☒ on behalf of (specify):

under: ☒ CCP 416.10 (corporation) ☐ CCP 416.80 (minor)
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)

- ☐ other (specify):

4. ☒ by personal delivery on (date): **10/27/15**

1 Paul Hart, Esq., SBN 237766
2 Dennis Lewis, Esq. SBN 262256
3 MONCRIEF & HART, PC
4 16 W. Gabilan St.
5 Salinas, CA 93901
6 Telephone: (831) 759-0900
7 Facsimile: (831) 759-0902
8 PaulHart@MoncriefHart.com

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA
SEP 30 2015
Darrel E. Parker, Executive Officer
BY B. Delabra
B. Delabra, Court Clerk

Attorney for Plaintiff BOB CAMPBELL RANCHES, INC.

8 SUPERIOR COURT OF CALIFORNIA
9 COUNTY OF SANTA BARBARA

11 BOB CAMPBELL RANCHES, INC., a
12 California Corporation,

13 Plaintiff,

14 v.

15 UNITED STATES FIRE INSURANCE
16 COMPANY, a Delaware Corporation;
17 CRUM AND FORSTER, INC., a New Jersey
18 Corporation; and DOES 1 through 50
19 inclusive.

20 Defendants.

Case No. **15 CV 03292**

[Jury Trial Demanded]

COMPLAINT FOR:

1. Breach of the Implied Covenant of Good Faith and Fair Dealing-Tort;
2. Breach of the Implied Covenant of Good Faith and Fair Dealing-Contract;
3. Breach of Contract;
4. Fraud-Concealment;
5. Negligence; and
6. Violation of the Unlawful Competition Law, Cal. Bus. & Prof. Code § 17200

BY FAX

21 Plaintiff BOB CAMPBELL RANCHES, INC. complains as follows

22 THE PARTIES AND VENUE

23 1. Plaintiff BOB CAMPBELL RANCHES, INC. ("Plaintiff") is a corporation
24 incorporated under the laws of the State of California and has its principal place of business in
25 Santa Barbara County, California. Plaintiff is in the business of producing agricultural
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1 commodities.

2 2. Defendant UNITED STATES FIRE INSURANCE COMPANY ("USFIC") is a
3 corporation incorporated under the laws of the State of Delaware. USFIC has its principal office
4 in the State of New Jersey. USFIC is an insurance company.
5

6 3. Defendant CRUM AND FORSTER, INC. ("C&F") is a corporation incorporated
7 under the laws of the State of New Jersey and upon information and belief, has its principal
8 office in the State of New Jersey
9

10 4. Plaintiff is ignorant of the true names and capacities of Defendants sued as DOES
11 1 through 50, inclusive, and therefore sues said Defendants by such fictitious names. Such Does,
12 without limitation, may include other Crum and Forster entities including those referenced in the
13 policy, Crum and Forster's partner company, Crum and Forster sister companies who
14 participated in the acts alleged herein, who established policies relevant to this case, who
15 conspired or assisted in such actions or were financially benefited from such conduct. Plaintiff
16 will amend the Complaint to allege the true names and capacities of such fictitious Defendants
17 once the same has been ascertained.
18

19 5. Plaintiff is informed and believes that each of the Defendants was at all relevant
20 times, the agent, servant, or employee of each of the other Defendants named herein and that
21 each such Defendant was acting within the course and scope of such agency, service, or
22 employment relationship in engaging in the conduct alleged herein. Plaintiff is also informed
23 and believes that each of the Defendants conspired with each other, and aided and abetted each
24 other and committing the acts as alleged herein and therefore allege that Defendants are
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1 responsible for the act of the other.

2 6. Venue in this County is proper under Cal. Civ. Pro. Code § 395.5 because the
3 obligation and/or liability that is the subject of this action arose in this County and because the
4 breach of the insurance policies at issue occurred in this County.
5

6 **GENERAL ALLEGATIONS**

7 7. Plaintiff realleges and incorporates by reference paragraphs 1 through 6 as though
8 fully set forth herein.
9

10 8. Plaintiff was formerly the insured of Defendants. This case involves a dispute
11 between the parties relating to Defendants' reserving and claims handling and administration
12 practices, which were substandard, negligent, tortious and in breach of contractual obligations and
13 which resulted in increased premiums and economic harm to Plaintiff.
14

15 9. In or about April 2011, Plaintiff purchased a Workers Compensation and
16 Employers' Liability Insurance Policy, Policy No. 408701019844 ("Policy No. 1"), issued by
17 Defendants. Policy No. 1 had effective dates of April 1, 2011 through April 1, 2012. Plaintiff paid
18 \$261,535 for Policy No. 1. A true and correct copy of Policy No. 1 is attached hereto as Exhibit A
19 and is incorporated herein by this reference.
20

21 10. In or about April 2012, Plaintiff purchased a Workers Compensation and
22 Employers' Liability Insurance Policy, Policy No. 4087041237 ("Policy No. 2"), issued by
23 Defendants. Policy No. 2 had effective dates of April 1, 2012 through April 1, 2013. Plaintiff paid
24 \$219,655 for Policy No. 2. A true and correct copy of Policy No. 2 is attached hereto as Exhibit B
25 and is incorporated herein by this reference. Hereafter, Policy No. 1 and Policy No. 2 shall be
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1 collectively referred to as the "Policies".

2 11. During the effective dates of the Policies, Plaintiff submitted to Defendants several
3 claims (the "Claims") for injuries that were allegedly sustained by Plaintiff's employees during the
4 course and scope of employment.
5

6 12. Plaintiff fully complied with all of its obligations under the Policies. Plaintiff
7 promptly reported each Claim to Defendants and provided to Defendants all information requested
8 by Defendants.
9

10 13. Defendants grossly mismanaged the handling of the Claims by engaging in conduct,
11 which includes, but is not limited to, the following:

- 12 a) failing to adequately and reasonably evaluate claims;
- 13 b) failing to timely settle claims and pay employee medical bills;
- 14 c) failing to timely and adequately identify fraudulent claims;
- 15 d) failing to regularly and adequately monitor reserves so that reserves could
- 16 accurately reflect monies paid and monies to be paid in the future;
- 17 e) failing to properly adjust reserves to reflect the realistic value of claims;
- 18 f) failure to minimize litigated claims;
- 19 g) failing to retain competent and adequate adjusters, experts, and legal counsel;
- 20 h) failing to monitor the status of claims;
- 21 i) failing to regularly communicate with legal counsel and Plaintiff regarding the
- 22 status of claims;
- 23 j) failing to properly investigate and resolve claims;
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- 1 k) failing to investigate information provided by Plaintiff;
- 2 l) improper delay in investigating and resolving claims;
- 3 m) failing to properly document claims and claims status;
- 4 n) failing to make timely payment to injured employees;
- 5 o) failing to limit the number of disgruntled employee/claimants by effectively
- 6 communicating and working with claimants;
- 7 p) failing to work and communicate with Plaintiff so that Plaintiff could
- 8 effectively communicate with employee/claimants.
- 9 q) inaccurately stating reserves;
- 10 r) preventing and interfering with Plaintiff's ability to monitor the performance of
- 11 Defendants in the handling of claims;
- 12 s) making misrepresentations to Plaintiff;
- 13 t) falsifying documents;
- 14 u) falsifying correspondence with Plaintiff;
- 15 v) intentionally setting reserves in a manner designed and intended to increase
- 16 premiums and reduce dividends;
- 17 w) negligently & recklessly setting reserves at an inflated level;
- 18 x) paying medical bills unrelated to employee workers' compensation claims; and
- 19 y) failing to deny within the required statutory period, claims reported as fraudulent
- 20 by Plaintiff.
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14. Upon information and belief, Defendants intentionally, maliciously, recklessly and

1 negligently mishandled the Claims for the purpose of artificially setting reserve amounts at an
2 unreasonably high level, resulting in increased premiums to Plaintiff and increased income to
3 Defendants and companies under common ownership with Defendants that would have been owed
4 to Plaintiff under the Policy.
5

6 15. Although the respective insurance policies had coverage periods which ended in
7 April 2012 and April 2013 respectively, the obligations to administer claims under said policies and
8 the obligation to properly set reserves continued thereafter and continue to this date. The
9 contractual breaches and misconducted alleged herein has occurred and continues to occur at all
10 times from April 2011 to this day and Plaintiff continues to suffer injury as a result of Defendants'
11 ongoing conduct.
12

13 16. As a direct and proximate cause of Defendants' mishandling of claims, Plaintiff's
14 experienced modification rate increased, dramatically causing it to incur dramatically increased
15 premiums. A modification rate is set by a formula promulgated by the Worker's Compensation
16 Insurance Rating Bureau of California and is utilized by Worker's Compensation Insurance Carriers
17 in setting premiums. The primary factor used in calculating a modification rate is the magnitude of
18 losses incurred as a result of employee claims and the size of "reserves" set for the purposes of
19 satisfying future payments on submitted claims. Consequently, the higher that an insurance
20 company sets a reserve amount for particular claims, the higher the modification rate, resulting in
21 higher premiums.
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24 17. Upon information and belief, Defendants' intentional mishandling of claims is not
25 distinctive to Plaintiff but is part of a systemic and company-wide practice of intentionally
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1 mishandling claims and setting artificially high reserve amounts for the purpose of receiving higher
2 premiums, paying less dividends, and increasing its revenues to the detriment of its insureds.

3 18. As a direct and proximate cause of Defendants' mishandling of Claims, Plaintiff
4 paid to Defendant, and continues to pay to its present insurer, artificially high premiums and has not
5 received any dividend payments, resulting in a monetary loss in excess of \$500,000.
6

7 19. In April 2013, Plaintiff's Policy 2 expired. After that, Plaintiff purchased from
8 Zenith Insurance Company ("Zenith") a Worker's Compensation Insurance Policy. Upon
9 information and belief, Zenith is a sister corporation of Crum & Forster Holdings Corporation
10 ("C&F") which is the parent corporation of Defendants.
11

12 20. Upon further information and belief, Defendants, C&F, and Zenith and potentially
13 other parent entities, subsidiaries, or sister-entities, have and continue to, purposefully mishandle
14 claims in order to drive up premiums, reduce dividends payment, and increase insured modification
15 rates. Such conduct is the result of a conspiracy and implied and/or express agreement, which is
16 designed and intended to financially benefit Defendants and related entities, to the economic
17 detriment of insureds, including Plaintiff.
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19 FIRST CAUSE OF ACTION

20 (Breach of the Implied Covenant of Good Faith and Fair Dealing-Tort Against All 21 Defendants) 22

23 21. Plaintiff realleges and incorporates by reference paragraphs 1 through 20 as though
24 fully set forth herein.

25 22. In every insurance contract is an implied covenant of good faith and fair dealing
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1 which imposes upon the insurer a duty to give at least as much consideration to the welfare of the
 2 insured as it gives its own interests in the handling of claims and in setting reserves.

3 23. The practice of mishandling claims for the purpose of driving up premiums and
 4 reducing dividend payments owed to the insured constitutes a tortious and contractual breach of the
 5 implied covenant of good faith and fair dealing. See Lance Camper Manufacturing Corp. v.
 6 Republic Indemnity Co. of America, 90 Cal. App. 4th 1151 (2001); Nortica v. State Compensation
 7 Ins. Fund, 70 Cal. App. 4th 911 (1999); MacGregor Yacht Corp. v State Compensation Ins. Fund,
 8 63 Cal. App. 4th 448 (1998); Security Officers Service, Inc. v. State Compensation Ins. Fund, 17
 9 Cal. App. 4th 887 (1993).

12 24. Defendants breached the implied covenant of good faith and fair dealing by
 13 intentionally and/or negligently mishandling claims, as more particularly described in paragraph 13.

14 25. As a direct and proximate cause of Defendants' breach, Plaintiff has been damaged
 15 in the sum of at least \$500,000.

17 26. Defendants' conduct as alleged herein was intentional, malicious and was done with
 18 a wanton disregard for Plaintiff's rights. As such, Plaintiff is entitled to an award of punitive
 19 damages.

20 **SECOND CAUSE OF ACTION**

21 **(Breach of the Implied Covenant of Good Faith and Fair Dealing-Contract Against All** 22 **Defendants)**

24 27. Plaintiff realleges and incorporates by reference paragraphs 1 through 26 as though
 25 fully set forth herein.
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29. The practice of mishandling claims for the purpose of driving up premiums and reducing dividend payments owed to the insured constitutes a tortious and contractual breach of the implied covenant of good faith and fair dealing. See Lance Camper Manufacturing Corp. v. Republic Indemnity Co. of America, 90 Cal. App. 4th 1151 (2001); Nortica v. State Compensation Ins. Fund, 70 Cal. App. 4th 911 (1999); MacGregor Yacht Corp. v State Compensation Ins. Fund, 63 Cal. App. 4th 448 (1998); Security Officers Service, Inc. v. State Compensation Ins. Fund, 17 Cal. App. 4th 887 (1993).

31. As a direct and proximate cause of Defendants' breach, Plaintiff has been damaged in the sum of at least \$500,000.

THIRD CAUSE OF ACTION

33. Plaintiff realleges and incorporates by reference paragraphs 1 through 32 as though fully set forth herein.

1 34. Plaintiff and Defendants entered into the Policies.

2 35. Plaintiff did all or substantially all of the significant things that the Policies required.

3 36. All conditions required by the Policies for Defendants' performance were
4 performed.

5
6 37. Defendants materially breached the Policies by mishandling claims, as set forth
7 more particularly in paragraph 15.

8 38. As a direct and proximate cause of Defendants' breach, Plaintiff has been damaged
9 in the sum of at least \$500,000.

10
11 39. Defendants' breach was intentional, malicious and was done with a wanton
12 disregard for Plaintiff's rights. As such, Plaintiff is entitled to an award of punitive damages.

13 **FOURTH CAUSE OF ACTION**

14 **(Fraud-Concealment Against All Defendants)**

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16 40. Plaintiff realleges and incorporates by reference paragraphs 1 through 39 as though
17 fully set forth herein.

18 41. Plaintiff and Defendants were in the relationship of an insurer-insured.

19 42. Defendants failed to disclose to Plaintiff Defendants' internal reserving and claims
20 handling policies in order to induce Plaintiff to enter into the Policies.

21
22 43. Plaintiff did not know of Defendants' internal reserving and claims handling
23 policies and Defendant prevented Plaintiff from discovering said policies.

24 44. Defendants intended to deceive Plaintiff by concealing its reserving and claims
25 handling policies.

1 45. Had the omitted information been disclosed, Plaintiff would not have purchased the
2 Policies.

3 46. As a direct and proximate cause of Defendants' concealment, Plaintiff has been
4 damaged in the sum of at least \$500,000.

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6 47. Defendants' conduct as alleged herein was intentional, malicious and was done with
7 a wanton disregard for Plaintiff's rights. As such, Plaintiff is entitled to an award of punitive
8 damages.

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10 **FIFTH CAUSE OF ACTION**

11 **(Negligence Against All Defendants)**

12 48. Plaintiff realleges and incorporates by reference paragraphs 1 through 47 as though
13 fully set forth herein.

14 49. As Plaintiff's insurer, Defendants owed to Plaintiff a duty to properly investigate,
15 defend, and settle claims in a reasonable manner.

16
17 50. Defendants breached that duty by mishandling the Claims, as more particularly set
18 forth in Paragraph 14.

19 51. As a direct and proximate cause of Defendants' breach of duty, Plaintiff has been
20 damaged in the sum of at least \$500,000.

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22 **SIXTH CAUSE OF ACTION**

23 **(Violation of the California's Unlawful Competition Law, Cal. Bus. & Prof. Code § 17200**

24 **Against All Defendants)**

25 52. Plaintiff realleges and incorporates by reference paragraphs 1 through 51 as though
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1 fully set forth herein.

2 53. Cal. Bus. & Prof. Code § 17200 proscribes unlawful, fraudulent, and unfair business
3 practices.

4 54. Plaintiff's reserve and claims handling practices constitute unlawful, fraudulent,
5 and/or unfair business practices.

6 55. Pursuant to Cal. Bus. & Prof. Code § 17203, Plaintiff is entitled to an injunction
7 enjoining Defendants from the further mishandling of claims. Moreover, Plaintiff is entitled to
8 disgorgement from Defendants of the profits Defendants has realized as a result of the unlawful
9 business practices.

10 56. Defendants' conduct as alleged herein was intentional, malicious and was done with
11 a wanton disregard for Plaintiff's rights. As such, Plaintiff is entitled to an award of punitive
12 damages.

13 **WHEREFORE, Plaintiff prays for judgment against Defendants as follows:**

- 14 1. General damages of at least \$500,000;
- 15 2. Consequential damages in an amount to be determined;
- 16 3. Attorney's fees under California's private attorney general statute, Cal. Civ. Pro. Code §
17 1021.5;
- 18 4. Punitive damages in an amount to be determined;
- 19 5. An injunction enjoining Defendants from engaging in further unfair, unlawful, or
20 fraudulent business practices;
- 21 6. Disgorgement to Plaintiff of the profits realized by Defendants from engaging in the

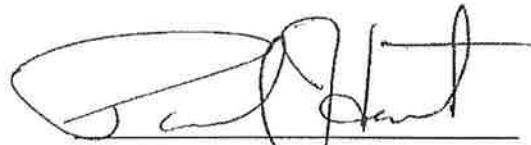
1 unlawful, unfair, or fraudulent business practices;

2 7. Costs of suit incurred herein; and

3 8. For such other and further relief as the Court may deem just and proper.
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6 Dated: September 29, 2015

MONCRIEF, & HART, PC

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9 Paul Hart, Esq.
10 Attorney for Plaintiff BOB
11 CAMPBELL RANCHES, INC.
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EXHIBIT A

POLICY NUMBER: 4087019844

IL P 001 01 04

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site — <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

DATE OF ISSUE: 06-06-11

Crum Forster

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

NOTICE TO POLICYHOLDER

LOSS CONTROL CONSULTATION SERVICES (California)

Crum & Forster is required by law to provide its policyholders with a description of certain loss control consultation services available at not additional charge. If you would like more information, call Crum & Forster loss control division at 800-972-4848 or 415-541-3200.

For "targeted employers," as defined by Title 8, California Code of Regulations, Section 339.3, we shall provide the following services:

- A. Effective evaluation of the employer's operations, including:
 - 1. Comprehensive on-site consultation for each targeted employer identified by the insurer's annual plan;
 - 2. Discussions with management and, with permission of the employer, non-management personnel; and
 - 3. Review with appropriate personnel of relevant records including, but not limited to, the employer's logs and summary of injuries and illnesses maintained pursuant to section 14301 and the employer's section 3203 injury and illness prevention program;
- B. Identification of the factors most related to the losses experienced by employer, including:
 - 1. First aid and other emergency or post-injury response procedures;
 - 2. Workplace health and safety hazards;
 - 3. Management policy and practices related to loss control;
 - 4. The effectiveness with which the company loss control policy is communicated among management personnel and between management and non-management personnel;
 - 5. The effectiveness of training;
 - 6. The extent and nature of worker participation in health and safety promotion efforts;
 - 7. The adequacy of record keeping; and
 - 8. The adequacy of the employer's section 3203 injury and illness prevention program.

- C. Formulation of recommended loss control measures, including specification of those critical to reduction of the employer's losses or potential for losses;
- D. A written report detailing the consultation provided, the finding of the consultation, and all loss control measures formulated pursuant to paragraph C.; and
- E. Ongoing evaluation of the targeted employer to determine the impact of the consultation on the employer's loss control experience.

For non-targeted employers, loss control consultation services are available, at no additional cost, upon request, and shall include, at a minimum, the following:

- A. A workplace survey, including discussions with management, and where appropriate, non-management personnel with permission of the employer;
- B. Review of injury records with appropriate personnel; and
- C. Development of a plan to improve the employer's health and safety loss control experience, which shall include, where appropriate, modifications to the employer's section 3203 injury and illness prevention program.

Exception: An insurer may, but is not required, to provide loss control consultation services to any insured whose place of employment does not pose significant, preventable health and safety hazards to workers. Criteria for determining that a place of employment does not pose significant preventable health and safety hazards must be clearly identified in the annual plan.

Workers' compensation insurance policyholders may register comments about the insurer's loss control consultation services by writing to: State of California, Department of Industrial Relations, Division of Occupational Safety and Health, P.O. Box 420603, San Francisco, CA 94142.



United States Fire Insurance Company
The North River Insurance Company

305 Madison Avenue
Morristown, NJ 07960
973-400-6600

Crum & Forster¹ Privacy Principles

Crum & Forster's Privacy Principles guide our conduct in the collection, use, release and security of personal and confidential information we obtain as part of our business of providing and servicing commercial insurance products, including underwriting, policy administration, insurance claims adjusting, appraisal and loss control services. These principles define Crum & Forster's commitment to the privacy and integrity of the information we accumulate, manage and store.

Who collects and has access to non-public personal information?

Personal Information may be collected by and/or shared with employees of Crum & Forster or by any of Crum & Forster's authorized representatives, attorneys, or others who provide services to Crum & Forster in connection with providing and servicing its commercial insurance products, such as claims administrators, independent appraisers, managed care providers, systems vendors, or similar service providers. Crum & Forster requires service providers to honor the privacy principles in the handling of non-public personal information obtained through its business relationship with Crum & Forster. Additionally, Crum & Forster may disclose information to third parties as allowed by law. For example, in response to a subpoena or other order or inquiry of a court, regulator or governmental agency or to its insurers.

Why does Crum & Forster need personal information and what do we do with it?

Crum & Forster limits the collection, disclosure, and use of customer information to only what is needed to properly underwrite and service its insurance products, and/or to fulfill legal or regulatory requirements.

Crum & Forster collects personal information solely for conducting its business of underwriting and servicing and administering its insurance products including, but not limited to:

- Underwriting and renewal of its commercial insurance products;
- Claims Handling and adjusting, including investigation and payment of claims;
- Claims administration and reporting;
- Fraud detection and prevention;
- Loss Control;
- Complying with the law and reporting requirements;
- Business activities that Crum & Forster may legally undertake.

Crum & Forster does not sell information to any third parties, and does not use it for marketing any of its insurance products.

¹ The Crum & Forster family of companies includes:
United States Fire Insurance Company, The North River Insurance Company, Crum & Forster Indemnity Company, Crum & Forster Insurance Company, Crum & Forster Underwriters Co. of Ohio, Crum & Forster Specialty Insurance Company, and Seneca Insurance Company

What types of information are collected?

The type of information that Crum & Forster collects varies according to the insurance product involved, and may include information we receive from you on applications and other forms; information we receive from your employer; information we receive from other sources such as motor vehicle reports.

Safeguarding Your Privacy

Access to non-public personal information is limited to those employees who specifically need such information to conduct their business responsibilities.

If you conclude your relationship with us, we will continue to safeguard your privacy in accordance with the standards described in this notice.

We maintain physical, electronic and procedural safeguards to protect non-public personal information.

Our employees have been provided with a copy of this policy and receive annual training on safeguarding non-public personal information. Employees who violate these standards are subject to disciplinary measures.

About Our Website

Our website is used only to disseminate information. Crum & Forster does not place electronic "cookies" in the browser files of any guests. We do not collect any individual information as a result of the public visiting the site. In other words, we may count how many times our site has been visited, but do not gather any personal information about the visitors. If you send us an email, your communication will identify you to us. However, we will only use the information you provide to respond to your inquiry. The privacy of communication over the Internet cannot be guaranteed. Crum & Forster does not assume any responsibility any loss or damage you may experience or incur by the sending of personal information over the Internet by or to Crum & Forster.

Questions?

If you have any questions concerning our Privacy Principles, please contact our Privacy Compliance Officer at:

Crum & Forster
Attn: Privacy Compliance Officer
305 Madison Avenue
Morristown, New Jersey 07960

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is 1,013 , and does not include any charges for the portion of losses covered by the United States Government under the Act.

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(Ed. 04-04)

POLICY NUMBER: 4087019844

POLICYHOLDER NOTICE**YOUR RIGHT TO RATING AND DIVIDEND INFORMATION****I. INFORMATION AVAILABLE TO YOU****A. Information Available from Us –
CRUM & FORSTER INSURANCE**

- (1) General questions regarding your policy should be directed to:
**CRUM & FORSTER INSURANCE, 725 S. FIGUEROA ST., SUITE 2300,
LOS ANGELES, CA 90017, TEL: 213-797-3100, FAX : 213-797-3139**
- (2) **Dividend Calculation** - If this is a participating policy (a policy on which a dividend may be paid), upon payment or non-payment of a dividend, we shall provide a written explanation to you that sets forth the basis of the dividend calculation. The explanation will be in clear, understandable language and will express the dividend as a dollar amount and as a percentage of the earned premium for the policy year on which the dividend is calculated.
- (3) **Claims Information** – Pursuant to Sections 3761 and 3762 of the California Labor Code, you are entitled to receive information in our claim files that affects your premium. Copies of documents will be supplied at your expense during reasonable business hours.

For claims covered under this policy, we will estimate the ultimate cost of unsettled claims for statistical purposes eighteen months after the policy becomes effective and will report those estimates to the Workers' Compensation Insurance Rating Bureau of California (WCIRB) no later than twenty months after the policy becomes effective. The cost of any settled claims will also be reported at that time. At twelve-month intervals thereafter, we will update and report to the WCIRB the estimated cost of any unsettled claims and the actual final cost of any claims settled in the interim. The amounts we report will be used by the WCIRB to compute your experience modification if you are eligible for experience rating.

B. Information Available from the Workers' Compensation Insurance Rating Bureau of California

- (1) The WCIRB is a licensed rating organization and the California Insurance Commissioner's designated statistical agent. As such, the WCIRB is responsible for administering the *California Workers' Compensation Uniform Statistical Reporting Plan – 1995 (USRP)* and the *California Workers' Compensation Experience Rating Plan – 1995 (ERP)*. Contact information for the WCIRB is: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. You may also contact WCIRB Customer Service at 1-888-229-2472, by fax at 415-778-7272, or via the Internet at the WCIRB's website: <http://www.wcirbonline.org>. The regulations contained in the USRP and the ERP are available for public viewing through the WCIRB's website.
- (2) **Policyholder Information** – Pursuant to California Insurance Code (CIC) Section 11752.6, upon written request, you are entitled to information relating to loss experience, claims, classification assignments, and policy contracts as well as rating plans, rating systems, manual rules, or other information impacting your premium that is maintained in the records of the WCIRB. Complaints and Requests for Action requesting policyholder information should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Custodian of Records. The Custodian of Records can be reached by telephone at 415-777-0777 and by fax at 415-778-7272.

II. DISPUTE PROCESS

You may dispute our actions or the actions of the WCIRB pursuant to CIC Sections 11737 and 11753.1.

A. Our Dispute Resolution Process

If you are aggrieved by our decision adopting a change in a classification assignment that results in increased premium, or by the application of our rating system to your workers' compensation insurance, you may dispute these matters with us. If you are dissatisfied with the outcome of the initial dispute with us, you may send us a written Complaint and Request for Action as outlined below.

You may send us a written Complaint and Request for Action requesting that we reconsider a change in a classification assignment that results in an increased premium and/or requesting that we review the manner in which our rating system has been applied in connection with the insurance afforded or offered you. Written Complaints and Requests for Action should be forwarded to:

**CRUM & FORSTER INSURANCE, 725 S. FIGUEROA ST., SUITE 2300,
LOS ANGELES, CA 90017, TEL: 213-797-3100, FAX : 213-797-3139**

After you send your Complaint and Request for Action, we have 30 days to send you a written notice indicating whether or not your written request will be reviewed. If we agree to review your request, we must conduct the

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review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If we decline to review your request, if you are dissatisfied with the decision upon review, or if we fail to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner as described in paragraph II. C., below.

- B. Disputing the Actions of the WCIRB** — If you have been aggrieved by any decision, action, or omission to act of the WCIRB, you may request, in writing, that the WCIRB reconsider its decision, action, or omission to act. You also may request, in writing, that the WCIRB review the manner in which its rating system has been applied in connection with the insurance afforded or offered you. For requests related to classification disputes, the reporting of experience, or coverage issues, your initial request for review must be received by the WCIRB within 12 months after the expiration date of the policy to which the request for review pertains, except if the request involves the application of the Revision of Losses rule. For requests related to your experience modification, your initial request for review must be received by the WCIRB within 6 months after the issuance, or 12 months after the expiration date, of the experience modification to which the request for review pertains, whichever is later, except if the request for review involves the application of the Revision of Losses rule. If the request involves the Revision of Losses rule, the time to state your appeal may be longer. (See Section VI, Rule 14 of the ERP.)

You may commence the review process by sending the WCIRB a written inquiry. Written inquiries should be sent to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. Customer Service can be reached by telephone at 1-888-229-2472, and by fax at 415-778-7272.

If you are dissatisfied with the WCIRB's decision upon an inquiry, or if the WCIRB fails to respond within 90 days after receipt of the inquiry, you may pursue the subject of the inquiry by sending the WCIRB a written Complaint and Request for Action. After you send your Complaint and Request for Action, the WCIRB has 30 days to send you written notice indicating whether or not your written request will be reviewed. If the WCIRB agrees to review your request, it must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If the WCIRB declines to review your request, if you are dissatisfied with the decision upon review, or if the WCIRB fails to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner as described in paragraph II. C. below. Written Complaints and Requests for Action should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Complaints and Reconsiderations. The WCIRB's telephone number is 1-888-229-2472, and the fax number is 415-371-5204.

- C. California Department of Insurance — Appeals to the Insurance Commissioner** — If after you follow the appropriate dispute resolution process described above, we or the WCIRB decline to review your request, if you are dissatisfied with the decision upon review, or if we or the WCIRB fail to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner pursuant to C.I.C. Sections 11737, 11752.6, 11753.1 and Title 10, California Code of Regulations, Section 2509.40 et. seq. You must file your appeal within 30 days after we or the WCIRB send you the notice rejecting review of your Complaint and Request for Action or the decision upon your Complaint and Request for Action. If no written decision regarding your Complaint and Request for Action is sent, your appeal must be filed within 120 days after you send your Complaint and Request for Action to us or to the WCIRB. The filing address for all appeals to the Insurance Commissioner is:

Administrative Hearing Bureau
California Department of Insurance
45 Fremont Street, 22nd Floor
San Francisco, California, 94105

You have the right to a hearing before the Insurance Commissioner, and our action, or the action of the WCIRB, may be affirmed, modified, or reversed.

III. RESOURCES AVAILABLE TO YOU IN OBTAINING INFORMATION AND PURSUING DISPUTES

- A. Policyholder Ombudsman** — Pursuant to California Insurance Code Section 11752.6, a policyholder ombudsman is available at the WCIRB to assist you in obtaining and evaluating the rating, policy, and claims information referenced in I.A. and I.B., above. The ombudsman may advise you on any dispute with us, the WCIRB, or on an appeal to the Insurance Commissioner pursuant to Section 11737 of the Insurance Code. The address of the policyholder ombudsman is: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Policyholder Ombudsman. The policyholder ombudsman can be reached by telephone at 415-777-0777 and by fax at 415-778-7007.
- B. California Department of Insurance — Information and Assistance** — Information and assistance on policy questions can be obtained from the Department of Insurance Consumer HOTLINE, 1-800-927-HELP (4357) or <http://www.insurance.ca.gov>. For questions and correspondence regarding appeals to the Administrative Hearing Bureau, see the contact information in paragraph II.C.

This notice does not change the policy to which it is attached.



PN 04 99 02 B
(Ed. 5-02)

POLICYHOLDER NOTICE

CALIFORNIA WORKERS' COMPENSATION INSURANCE RATING LAWS

Pursuant to Section 11752.8 of the California Insurance Code, we are providing you with an explanation of the California workers' compensation rating laws.

1. We establish our own rates for workers' compensation. Our rates, rating plans, and related information are filed with the insurance commissioner and are open for public inspection.
2. The insurance commissioner can disapprove our rates, rating plans, or classifications only if he or she has determined after public hearing that our rates might jeopardize our ability to pay claims or might create a monopoly in the market. A monopoly is defined by law as a market where one insurer writes 20% or more of that part of the California workers' compensation insurance that is not written by the State Compensation Insurance Fund. If the insurance commissioner disapproves our rates, rating plans, or classifications, he or she may order an increase in the rates applicable to outstanding policies.
3. Rating organizations may develop pure premium rates that are subject to the insurance commissioner's approval. A pure premium rate reflects the anticipated cost and expenses of claims per \$100 of payroll for a given classification. Pure premium rates are advisory only, as we are not required to use the pure premium rates developed by any rating organization in establishing our own rates.
4. We must adhere to a single, uniform experience rating plan. If you are eligible for experience rating under the plan, we will be required to adjust your premium to reflect your claim history. A better claim history generally results in a lower experience rating modification; more claims, or more expensive claims, generally result in a higher experience rating modification. The uniform experience rating plan, which is developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner.
5. A standard classification system, developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner. The standard classification system is a method of recognizing and separating policyholders into industry or occupational groups according to their similarities and/or differences. We can adopt and apply the standard classification system or develop and apply our own classification system, provided we can report the payroll, expenses, and other costs of claims in a way that is consistent with the uniform statistical plan or the standard classification system.
6. Our rates and classifications may not violate the Unruh Civil Rights Act or be unfairly discriminatory.
7. We will provide an appeal process for you to appeal the way we rate your insurance policy. The process requires us to respond to your written appeal within 30 days. If you are not satisfied with the result of your appeal, you may appeal our decision to the insurance commissioner.

CALIFORNIA WORKERS' COMPENSATION INSURANCE NOTICE OF NONRENEWAL

Section 11664 of the California Insurance Code requires us, in most instances, to provide you with a notice of nonrenewal. Except as specified in paragraphs 1 through 6 below, if we elect to nonrenew your policy, we are required to deliver or mail to you a written notice stating the reason or reasons for the nonrenewal of the policy. The notice is required to be sent to you no earlier than 120 days before the end of the policy period and no later than 30 days before the end of the policy period. If we fail to provide you the required notice, we are required to continue the coverage under the policy with no change in the premium rate until 60 days after we provide you with the required notice.



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(Ed. 5-02)

We are not required to provide you with a notice of nonrenewal in any of the following situations:

1. Your policy was transferred or renewed without a change in its terms or conditions or the rate on which the premium is based to another insurer or other insurers who are members of the same insurance group as us.
2. The policy was extended for 90 days or less and the required notice was given prior to the extension.
3. You obtained replacement coverage or agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
4. The policy is for a period of no more than 60 days and you were notified at the time of issuance that it may not be renewed.
5. You requested a change in the terms or conditions or risks covered by the policy within 60 days prior to the end of the policy period.
6. We made a written offer to you to renew the policy at a premium rate increase of less than 25 percent.
 - (A) If the premium rate in your governing classification is to be increased 25 percent or greater and we intend to renew the policy, we shall provide a written notice of a renewal offer not less than 30 days prior to the policy renewal date. The governing classification shall be determined by the rules and regulations established in accordance with California Insurance Code Section 11750.3(c).
 - (B) For purposes of this Notice, "premium rate" means the cost of insurance per unit of exposure prior to the application of individual risk variations based on loss or expense considerations such as scheduled rating and experience rating.

This notice does not change the policy to which it is attached.



PN 04 99 04
(Ed. 12-01)

POLICYHOLDER NOTICE

CALIFORNIA INSURANCE GUARANTEE ASSOCIATION (CIGA) SURCHARGE

Companies writing property and casualty insurance business in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent, the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share.

California law requires all companies to surcharge policies to recover those assessments. If your policy is surcharged, "CA Surcharge" or "CA Surcharge (CIGA Surcharge)" with an amount will be displayed on your premium notice.

This notice does not change the policy to which it is attached.

Crum Forster**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY - INFORMATION PAGE****INSURER:**

UNITED STATES FIRE INSURANCE COMPANY
HOME OFFICE: MORRISTOWN, NJ
A STOCK INSURANCE COMPANY

POLICY NO: 4087019844

REISSUE OF: 4087019844
NCCI CO NO: 12777
INSURED ID
NO(S):
CLIENT NO: 3207513

1. THE INSURED AND MAILING ADDRESS:

BOB CAMPBELL RANCHES, INC.
PO BOX 625
LOMPOC CA 93438-0625

PRODUCER NO: 82939
PRODUCER NAME AND ADDRESS:
INTERWEST INSURANCE SERVICES, INC.
PO BOX 255188
SACRAMENTO
CA 95864-5188

INSURED ENTITY: CORPORATION

BUSINESS OF INSURED: CASH GRAINS FARM CROP PREPARATION FOR MARKET, FIEL
OTHER WORKPLACES NOT SHOWN ABOVE: (See Extension of Information Page)

2. POLICY PERIOD: FROM 04-01-2011 TO 04-01-2012

Effective 12:01 A.M. Standard Time at the Insured's Mailing Address.

3. COVERAGE:

A. Workers' Compensation Insurance: Part One of the Policy applies to the Workers' Compensation Law of the States Listed here:
CA

B. Employers' Liability Insurance: Part Two of the Policy applies to work in each state listed in Item 3A. The Limits of our liability under Part Two are:

Bodily Injury by Accident:	\$ 1,000,000	Each Accident
Bodily Injury by Disease:	\$ 1,000,000	Policy Limit
Bodily Injury by Disease:	\$ 1,000,000	Each Employee

C. Other States Insurance: Part Three of the Policy applies to All States of the United States, except those listed in Item 3A above and in: ND, OH, WA, WY and in any additional states listed below:

D. This Policy includes these Endorsements and Schedules:
As per schedule of forms and endorsements.

4. THE PREMIUM for this Policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit. See Extension of Information Page.**DIRECT BILL**

Minimum Premium: \$ 1,000
Audit Period: ANNUAL

Total Estimated
Annual Cost: \$ 261,535

Deposit Premium: \$ 261,535

Issued At: LOS ANGELES CA
Date: 06-06-11

DATE

Authorized Representative

Policy Number 4087019844

UNITED STATES FIRE INSURANCE COMPANY

NCCI Carrier Code 12777

NAME AND LOCATION SCHEDULE

Named Insured BOB CAMPBELL RANCHES, INC.

Effective Date: 04-01-2011

12:01 A.M., Standard Time

Agent Name INTERWEST INSURANCE SERVICES, INC.

Agent No. 82939

State: CALIFORNIA

Risk ID 600933

BOB CAMPBELL RANCHES, INC.

1119 WEST LAUREL AVE.

LOMPOC CA 93436

FEIN: 27-4719812

SIC Code: 0119

NAIC Code: 111130

EMP : 65

**WORKERS- COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY EXTENSION OF INFORMATION PAGE**

INSURER:

POLICY NO: 4087019844

UNITED STATES FIRE INSURANCE COMPANY

4. PREMIUM**STATE OF: CALIFORNIA**

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
0001-01 BOB CAMPBELL RANCHES, INC. FEIN # 27-4719812 SIC CODE 0119 NAIC CODE 111130 1119 WEST LAUREL AVE. LONPOC CA 93436				
FARMS: TRUCK FARMS	0172	\$ 3,120,000	7.19	\$ 224,328.00
CLERICAL OFFICE EMPLOYEES-N.O.C.	8810	\$ 50,000	.71	\$ 355.00

**WORKERS- COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY EXTENSION OF INFORMATION PAGE**

INSURER:

POLICY NO: 4087019844

UNITED STATES FIRE INSURANCE COMPANY

4. PREMIUM**STATE OF: CALIFORNIA**

Classifications		Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
TOTAL CLASS PREMIUM					\$ 224,683.00
INCREASE LIMITS 1.0125	9812				\$ 2,809.00
EXPERIENCE PREMIUM 1.26	9898				\$ 59,148.00
SCHEDULE MODIFICATION .90	9887				\$ -28,664.00
STANDARD TOTAL					\$ 257,976.00
PREMIUM DISCOUNT .956	0064				\$ -11,351.00
EXPENSE CONSTANT	0900				\$ 250.00
TERRORISM .03	9740				\$ 951.00
CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) .00	9741				\$ 0.00
CIGA SURCHARGE .02559	0989				\$ 6,342.00
CA ADMIN REVOLVING FUND ASSESS .014721	0987				\$ 3,648.00
CA OCC SAFETY & HEALTH FUND .002467	9688				\$ 611.00
CA FRAUD ASSESSMENT .004348	0988				\$ 1,078.00
CA UNINS EMPL BENEFITS ASSESS .004101	9686				\$ 1,016.00
CA SUBS INJ BENEFITS ASSESS .001776	9687				\$ 440.00
CALIFORNIA LABOR ENFORCEMENT & COMPLIANCE (LECF) ASSESSMENT 1.002315	0000				\$ 574.00
FINAL TOTAL					\$ 261,535.00
POLICY TOTAL ESTIMATED COST					\$ 261,535.00

Policy Number
4087019844

Crum Forster

**SCHEDULE OF FORMS AND ENDORSEMENTS
UNITED STATES FIRE INSURANCE COMPANY**

Named Insured BOB CAMPBELL RANCHES, INC.

Effective Date: 04-01-2011

12:01 A.M., Standard Time

Agent Name INTERWEST INSURANCE SERVICES, INC.

Agent No. 82939

WORKERS COMPENSATION FORMS AND ENDORSEMENTS

FM1110754	01-08	POLICYHOLDER DISCLOSURE FOR TERRORISM
WC000001 C	07-97	INFORMATION PAGE - PAGE 1
WC174	04-84	WC AND EMPL LIAB EXTENSION OF INFO PAGE
FM 206.0.2	04-94	SCHEDULE OF FORMS AND ENDORSEMENTS
WC 00 00 00 A		INSURANCE POLICY
FM 206.0.11	11-08	US FIRE INSURANCE COMPANY SIGNATURE PAGE
WC000406		PREMIUM DISCOUNT ENDT
WC 00 04 21 C		CATASTROPHE (OTHER THAN CERT ACTS) ENDT
WC 00 04 22 A		TERRORISM RISK PGM REAUTH ACT DISCL ENDT
FM111.0.755	09-03	CA CANCELTION ENDORSEMENT
FM 111.0.766	11-09	CALIFORNIA FARM SCHEDULE ENDORSEMENT
WC 04 03 01 A	03-98	CA POLICY AMENDATORY ENDORSEMENT
WC 04 03 03		CA OFFICERS & DIRECTORS COV/EXCL ENDT
WC 04 03 10		CA DUTY TO DEFEND
WC 04 03 60 A		CA EMPLOYERS' LIAB COVG AMENDATORY ENDT
WC 04 04 21		CA OPTIONAL PREMIUM INCREASE ENDORSEMENT

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 00 00 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

In return for the payment of the premium and subject to all terms of this policy, we agree with you as follows:

GENERAL SECTION**A. The Policy**

This policy includes at its effective date the Information Page and all endorsements and schedules listed there. It is a contract of insurance between you (the employer named in Item 1 of the Information Page) and us (the insurer named on the Information Page). The only agreements relating to this insurance are stated in this policy. The terms of this policy may not be changed or waived except by endorsement issued by us to be part of this policy.

B. Who Is Insured

You are insured if you are an employer named in Item 1 of the Information Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership's employees.

C. Workers Compensation Law

Workers Compensation Law means the workers or workmen's compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page. It includes any amendments to that law which are in effect during the policy period. It does not include any federal workers or workmen's compensation law, any federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

D. State

State means any state of the United States of America, and the District of Columbia.

E. Locations

This policy covers all of your workplaces listed in Items 1 or 4 of the Information Page; and it covers all other workplaces in Item 3.A. states unless you have other insurance or are self-insured for such workplaces.

PART ONE**WORKERS COMPENSATION INSURANCE****A. How This Insurance Applies**

This workers compensation insurance applies to

bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. Bodily injury by accident must occur during the policy period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

B. We Will Pay

We will pay promptly when due the benefits required of you by the workers compensation law.

C. We Will Defend

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

D. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

E. Other Insurance

We will not pay more than our share of benefits and costs covered by this insurance and other

WC 00 00 00 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

Insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

F. Payments You Must Make

You are responsible for any payments in excess of the benefits regularly provided by the workers compensation law including those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers compensation law.

If we make any payments in excess of the benefits regularly provided by the workers compensation law on your behalf, you will reimburse us promptly.

G. Recovery From Others

We have your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law.

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties; so may an agency authorized by law. Enforcement may be against us or against you and us.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.

5. This insurance conforms to the parts of the workers compensation law that apply to:

- a. benefits payable by this insurance;
- b. special taxes, payments into security or other special funds, and assessments payable by us under that law.

6. Terms of this insurance that conflict with the workers compensation law are changed by this statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this policy.

PART TWO**EMPLOYERS LIABILITY INSURANCE****A. How This Insurance Applies**

This employers liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in a state or territory listed in Item 3.A. of the Information Page.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

B. We Will Pay

We will pay all sums you legally must pay as damages because of bodily injury to your employees, provided the bodily injury is covered by this Employers Liability Insurance.

The damages we will pay, where recovery is permitted by law, include damages:

1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 00 00 A**

against such third party as a result of Injury to your employee;

2. for care and loss of services; and
3. for consequential bodily Injury to a spouse, child, parent, brother or sister of the injured employee;

provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you; and

4. because of bodily injury to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

C. Exclusions

This insurance does not cover:

1. liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. punitive or exemplary damages because of bodily injury to an employee employed in violation of law;
3. bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. any obligation imposed by a workers compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
5. bodily injury intentionally caused or aggravated by you;
6. bodily injury occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
7. damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions;
8. bodily injury to any person in work subject to the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950), the Nonappropriated Fund Instrumentalities Act (5 USC Sections 8171-8173), the Outer Continental Shelf Lands Act (43 USC Sections 1331-

1356), the Defense Base Act (42 USC Sections 1651-1654), the Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942), any other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;

9. bodily injury to any person in work subject to the Federal Employers' Liability Act (45 USC Sections 51-60), any other federal laws obligating an employer to pay damages to an employee due to bodily injury arising out of or in the course of employment, or any amendments to those laws;
10. bodily injury to a master or member of the crew of any vessel;
11. fines or penalties imposed for violation of federal or state law; and
12. damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872) and under any other federal law awarding damages for violation of those laws or regulations issued thereunder, and any amendments to those laws.

D. We Will Defend

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this insurance. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this insurance.

E. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

WC 00 00 00 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**F. Other Insurance**

We will not pay more than our share of damages and costs covered by this Insurance and other Insurance or self-Insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any Insurance or self-Insurance is exhausted, the shares of all remaining Insurance and self-Insurance will be equal until the loss is paid.

G. Limits of Liability

Our liability to pay for damages is limited. Our limits of liability are shown in Item 3.B. of the Information Page. They apply as explained below.

1. Bodily Injury by Accident. The limit shown for "bodily injury by accident - each accident" is the most we will pay for all damages covered by this Insurance because of bodily injury to one or more employees in any one accident.

A disease is not bodily injury by accident unless it results directly from bodily injury by accident.

2. Bodily Injury by Disease. The limit shown for "bodily injury by disease - policy limit" is the most we will pay for all damages covered by this Insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for "bodily injury by disease - each employee" is the most we will pay for all damages because of bodily injury by disease to any one employee.

Bodily injury by disease does not include disease that results directly from a bodily injury by accident.

3. We will not pay any claims for damages after we have paid the applicable limit of our liability under this Insurance.

H. Recovery From Others

We have your rights to recover our payment from anyone liable for an injury covered by this Insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Actions Against Us

There will be no right of action against us under this Insurance unless:

1. You have complied with all the terms of this policy; and

2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This Insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability. The bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Part.

**PART THREE
OTHER STATES INSURANCE**

A. How This Insurance Applies

1. This other states Insurance applies only if one or more states are shown in Item 3.C. of the Information Page.
2. If you begin work in any one of those states after the effective date of this policy and are not insured or are not self-insured for such work, all provisions of the policy will apply as though that state were listed in Item 3.A. of the Information Page.
3. We will reimburse you for the benefits required by the workers compensation law of that state if we are not permitted to pay the benefits directly to persons entitled to them.
4. If you have work on the effective date of this policy in any state not listed in Item 3.A. of the Information Page, coverage will not be afforded for that state unless we are notified within thirty days.

B. Notice

Tell us at once if you begin work in any state listed in Item 3.C. of the Information Page.

**PART FOUR
YOUR DUTIES IF INJURY OCCURS**

Tell us at once if injury occurs that may be covered by this policy. Your other duties are listed here.

1. Provide for immediate medical and other services required by the workers compensation law.
2. Give us or our agent the names and addresses of the injured persons and of witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 0000 00 A

papers related to the injury, claim, proceeding or suit.

4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

PART FIVE - PREMIUM**A. Our Manuals**

All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this insurance.

B. Classifications

Item 4 of the Information Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy.

C. Remuneration

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your officers and employees engaged in work covered by this policy; and
2. all other persons engaged in work that could make us liable under Part One (Workers Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secur-

ed their workers compensation obligations.

D. Premium Payments

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid.

E. Final Premium

The premium shown on the Information Page, schedules, and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is canceled, final premium will be determined in the following way unless our manuals provide otherwise:

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.
2. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force, and increased by our short-rate cancellation table and procedure. Final premium will not be less than the minimum premium.

F. Records

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

G. Audit

You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, and programs for storing and retrieving data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. Insurance rate service organizations have the same rights we have under this provision.

WC 00 00 00 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

PART SIX- CONDITIONS

A. Inspection

We have the right, but are not obliged to inspect your workplaces at any time. Our inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards. Insurance rate service organizations have the same rights we have under this provision.

B. Long Term Policy

If the policy period is longer than one year and sixteen days, all provisions of this policy will apply as though a new policy were issued on each annual anniversary that this policy is in force.

C. Transfer of Your Rights and Duties

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty days after your death, we will cover your legal representative as insured.

D. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. We must mail or deliver to you not less than ten days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice.
3. The policy period will end on the day and hour stated in the cancellation notice.
4. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

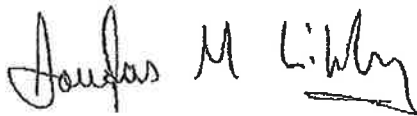
E. Sole Representative

The insured first named in Item 1 of the Information Page will act on behalf of all insureds to change this policy, receive return premium, and give or receive notice of cancellation.

United States Fire Insurance Company
A Delaware Corporation
Home Office: Wilmington, DE

(A Capital Stock Company)

SIGNATURE

A handwritten signature in black ink, appearing to read "Douglas M. Libby". The signature is fluid and cursive, with the first name "Douglas" being the most prominent.

Douglas M. Libby
Chairman & CEO

SIGNATURE

A handwritten signature in black ink, appearing to read "James Kraus". The signature is fluid and cursive, with the first name "James" being the most prominent.

James Kraus
Secretary

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 04 06**POLICY NUMBER: **4087019844****PREMIUM DISCOUNT ENDORSEMENT**

The premium for this policy and the policies, if any, listed in Item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Items 1 or 2 of the Schedule. The final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

SCHEDULE

ESTIMATED ELIGIBLE PREMIUM \$					257,976
1. STATE	FIRST \$5,000	NEXT \$95,000	NEXT \$400,000	BALANCE	
CA	0	.035	.05	.07	

2. **AVERAGE PERCENTAGE DISCOUNT: 4.40 %**3. **OTHER POLICIES:**

4. If there are no entries in Items 1, 2 and 3, of the Schedule see the Premium Discount Endorsement attached to your policy number:

DATE OF ISSUE: **06-06-11**

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 04 21 C**

(Ed. 9-08)

POLICY NUMBER: **4087019844****CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT**

This endorsement is notification that your Insurance carrier is charging premium to cover the losses that may occur in the event of a Catastrophe (other than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism). This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A), attached to this policy.

For purposes of this endorsement, the following definitions apply:

- **Catastrophe (other than Certified Acts of Terrorism):** Any single event, resulting from an Earthquake, Noncertified Act of Terrorism, or Catastrophic Industrial Accident, which results in aggregate workers compensation losses in excess of \$50 million.
- **Earthquake:** The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity.
- **Noncertified Act of Terrorism:** An event that is not certified as an Act of Terrorism by the Secretary of Treasury pursuant to the Terrorism Risk Insurance Act of 2002 (as amended) but that meets all of the following criteria:
 - a. It is an act that is violent or dangerous to human life, property, or infrastructure;
 - b. The act results in damage within the United States, or outside of the United States in the case of the premises of United States missions or air carriers or vessels as those terms are defined in the Terrorism Risk Insurance Act of 2002 (as amended); and
 - c. It is an act that has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- **Catastrophic Industrial Accident:** A chemical release, large explosion, or small blast that is localized in nature and affects workers in a small perimeter the size of a building.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule			
State	Rate	Premium	
CA	.00	\$	0

DATE OF ISSUE: **06-06-11****WC 00 04 21 C**

(Ed. 9-08)

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 04 22 A

(Ed. 9-08)

POLICY NUMBER: 4087019844

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2007.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, 2008, and ending on December 31, 2014, an amount equal to 20% of our direct earned premiums, over the calendar year immediately preceding the applicable Program Year.

"Program Year" refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a Program Year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed \$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding Item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

DATE OF ISSUE: 06-06-11

WC 00 04 22 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

(Ed. 9-08)

POLICY NUMBER: 4087019844

Schedule

State	Rate	Premium
CA	.03	\$ 951

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 04-01-11 Policy No. 4087019844

Endorsement No.

Insured BOB CAMPBELL RANCHES, INC.

Premium \$ INCL.

Insurance Company UNITED STATES FIRE INSURANCE COMPANY

Countersigned By _____

DATE OF ISSUE: 06-06-11

WC 00 04 22 A

(Ed. 9-08)

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

POLICY NUMBER: 4087019844

CALIFORNIA CANCELATION ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because California is shown in Item 3.A. of the information page.

The cancellation condition in Part Six (Conditions) of the policy is replaced by these conditions:

CANCELATION

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy for one or more of the following reasons:
 - a. Non-payment of premium;
 - b. Failure to report payroll;
 - c. Failure to permit us to audit payroll as required by the terms of this policy or of a previous policy issued by us;
 - d. Failure to pay any additional premium resulting from an audit of payroll required by the terms of this policy or any previous policy issued by us;
 - e. Material misrepresentation made by you or your agent;
 - f. Failure to cooperate with us in the investigation of a claim;
 - g. Failure to comply with Federal or State safety orders;
 - h. Failure to comply with written recommendations of our designated loss control representatives;
 - i. The occurrence of a material change in the ownership of your business;
 - j. The occurrence of any change in your business or operations that materially increases the hazard for frequency or severity of loss;
 - k. The occurrence of any change in your business or operation that requires additional or different classification for premium calculation;
 - l. The occurrence of any change in your business or operation which contemplates an activity excluded by our reinsurance treaties.

DATE OF ISSUE: 06-06-11

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POLICY NUMBER: 4087019844

3. If we cancel your policy for any of the reasons listed in (a) through (f), we will give you 10 days advance written notice, stating when the cancelation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice. If we cancel your policy for any of the reasons listed in Items (g) through (l), we will give you 30 days advance written notice; however, we agree that in the event of cancelation and reissuance of a policy effective upon a material change in ownership or operations, notice will not be provided.
4. The policy period will end on the day and hour stated in the cancellation notice.
5. Premium Determination – This section amends workers compensation and employers liability insurance policy (WC 00 00 00 A). Part Five -- premium paragraph E. Final Premium, 1.

Premium Determination – Cancellation By The Employer (or By The Company Due To Non-payment Of Premium). First, the premium computed in accordance with Part 1, Section II, Rule 3, will be multiplied by the quotient of the number of days for which the policy was written divided by the number of days the policy remained in force to produce the full policy premium. Second, the extended number of days will be determined by dividing the number of days the policy was in force by the number of days for which the policy was written and multiplying the quotient by 365 days. (When the policy was written for a one-year period, the extended number of days will equal the number of days the policy remained in force.) Third, the customary short rate percentage corresponding to the extended number of days will be obtained from the short rate cancelation table. Fourth, the short rate premium will be equal to the product of the full policy premium times the short rate percentage.

DATE OF ISSUE: 06-06-11

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**FARM SCHEDULE ENDORSEMENT - CALIFORNIA**

Farms - including all employees of whatever nature (other than Private Residence Employees) - engaged upon or in connection with such farm - including managers, superintendents, foremen and any other persons engaged by or on behalf of the employer to perform farm work for a price per unit, contract or measure.

Classification of Farm Operations**Code
No.**

- 0079(2) **BUSH BERRY CROPS** - This classification applies to all acreage devoted to the raising of raspberries, ollalieberries (blackberries) and boysenberries.
- 0044 **COTTON FARMS** - This classification applies to all acreage devoted to the raising of cotton.
- 0036 **DAIRY FARMS** - This classification applies to all acreage devoted to the production of milk or cream. The payroll of route drivers delivering bottled milk to retail customers and performing no other duties on the farm premises may be segregated and classified as 2063, "Creameries and Dairy Products Mfg.". The Dairy Farms classification shall also include acreage devoted to the raising of goats.
- 0038(2) **FEED YARDS** - This classification applies to all operations of feeding cattle, sheep and hogs. This classification includes growing incidental feed, hay or grain crops for the purpose of maintaining the subject animals, unless the majority of feed, hay or grain crops are sold commercially and not used by the employer.
- 0171 **FIELD CROPS** - This classification applies to all acreage devoted to the raising of hay, alfalfa, all the cereal grains - wheat, barley, rice, corn and oats - all sorghums, flax and maize.
- 0016 **ORCHARDS - citrus and deciduous fruits** - This classification applies to all acreage devoted to citrus and deciduous tree crops, as well as avocados and olives.
- 0045 **ORCHARDS - nut crops** - This classification applies to all acreage devoted to nut tree crops, including almonds, walnuts and pistachios.
- 0041 **POTATO CROPS** - This classification applies to all acreage devoted to the raising of all types of potatoes and shall also include sweet potatoes, peanuts and sugar beets.
- 0034(1) **POULTRY RAISING, EGG PRODUCTION AND HATCHERIES** - This classification applies to all acreage devoted to the raising of poultry, turkeys, rabbits and squabs.
- 0034(2) **SHEEP RAISING AND HOG FARMS** - This classification applies to all acreage devoted to the raising of sheep and hogs, but not at Feed Yards.
- 0038(1) **STOCK FARMS** - This classification applies to all acreage devoted to the raising of beef cattle and horses. This classification includes growing incidental feed, hay or grain crops for the purpose of maintaining the subject animals, unless the majority of feed, hay or grain crops are sold commercially and not used by the employer.
- 0079(1) **STRAWBERRY CROPS** - This classification applies to all acreage devoted to the raising of strawberries.
- 0172 **TRUCK FARMS** - This classification applies to all acreage devoted to the raising of garden vegetables, and shall also include dry peas, dry beans, soy beans, melons, sweet corn, mushrooms, bean sprouts, and flower and vegetable seeds.
- 0040 **VINEYARDS** - This classification applies to all acreage devoted to the raising of all grapes - table, wine or raisin - and shall also include hops and Kadota figs.

Premium for all employees performing any type of farm work for a price per unit, contract or measure shall be based upon the total remuneration earned by such persons, and in the absence of adequate payroll records substantiating such earnings, the total contract price shall be deemed to be the total earnings; however, if the entire contract involves the use of motor vehicles or farm machinery with drivers and their helpers, not less than one-fourth (1/4) of the total amount paid for the hire of such equipment and their operating crews shall be deemed to be the total earnings of such drivers and their helpers.

Premium payment shall not be required in those cases for which workers' compensation insurance has been separately provided and the company is supplied with either a Certificate of Insurance or the name of the Workers' Compensation Insurance carrier and the number and effective dates of the policy.

When lodging is provided by the employer, the total remuneration shall include the market value of such lodging to the employee.

Each farm classification includes normal repair and maintenance of buildings or equipment performed by employees of the farmer.

The maintenance of a cow, hogs or chickens for family use, a family orchard or truck garden, or a hay or grain crop raised for the purpose of maintaining work animals on the farm shall be considered usual and incidental to the operation of any type of farm.

The payroll for general supervision, chore workers or drivers not connected with any particular crop, fence repair and road building is incidental to any type of farm. Where adequate records showing labor cost distributed by crops are maintained, the payroll of such miscellaneous employees shall be assigned to the various crop classifications in the same proportion as the allocated crop payroll bears to the total allocated payroll.

The payroll of employees engaged in the following operations shall be segregated and separately rated: maintenance or repair work by contractors; new construction or alterations, whether done by the insured's employees or by contractors; the operation of farm machinery away from the farm premises by the farmer for others; and the grading, sorting, packing, or otherwise preparing of vegetables or fruit for shipment when conducted in buildings or sheds located on or away from farm premises, whether conducted for others or in connection with the insured's farming activities.

Extended Classification Schedule Farm-Related Classifications

Code No.

0005	NURSERIES - propagation and cultivation of nursery stock.
0035	FLORISTS - cultivating or gardening.
0050	FARM MACHINERY OPERATION - by contractors - including yard employees.
0096	NUT HULLING, SHELLING OR PROCESSING
0400(1)	COTTON MERCHANTS - including cotton compressing Classifications 0400(1) shall not be used for division of payroll connection with Classification 0401, Cotton Gin Operation, unless the operation described by Classification 0400(1) constitutes a separate and distinct enterprise having no connection with the operations covered by Classification 0401.
0400(2)	WAREHOUSES - cotton -including cotton compressing Classifications 0400(2) shall not be used for division of payroll connection with Classification 0401, Cotton Gin Operation, unless the operation described by Classification 0400(2) constitutes a separate and distinct enterprise having no connection with the operations covered by Classification 0401.

0401 COTTON GIN OPERATION - during both active and dormant seasons - including installation or repair of equipment; yard employees; seed or fuel haulers

2014(1) GRAIN OR RICE MILLING

2014(2) FEED MFG - Preparing or compounding feeds for livestock and poultry.
Extended Classification Schedule -Farm-Related Classifications (cont'd)

**Code
No.**

2081 (11) BUTCHERING - Poultry only.

2095 MEAT PRODUCTS MFG -including packaging

2102 FRUIT OR VEGETABLE EVAPORATION OR DEHYDRATING

2107 FRUIT - fresh fruit packing and handling - including storage - NOC

2108 FRUIT - citrus fruit packing and handling - including storage.

2109 FRUIT - dried fruit packing and handling.

2111(1) FRUIT OR VEGETABLE PRESERVING - including packaging

2111(2) OLIVE HANDLING - sorting, curing, packing and canning

2111(3) PICKLE MFG

2116 FRUIT JUICE OR CONCENTRATE MFG

2117 FRUIT OR VEGETABLE PROCESSING - frozen

2123 FRUIT OR VEGETABLE PROCESSING - fresh - ready to eat

2142 (1) WINERIES - all operations.

2142 (2) DISTILLING - NOC

2142 (3) VINEGAR MFG

6504 FOOD PRODUCTS MFG. OR PROCESSING - NOC

7219(11) TRUCKING FIRMS - engaged in hauling agricultural product

8017(11) STORES - hardware - retail only - classification 8017(11) shall only apply when used in connection with 8116, FARM MACHINERY DEALERS.

8018(11) EGG CANDLING OR PROCESSING - not in connection with farms

8021(11) WHOLESALE POULTRY STORES - classification 8021(11) shall only apply when used in connection with 0034(1), POULTRY RAISING, EGG PRODUCTION AND HATCHERIES.

8060(11) WINE TASTING ROOMS - classification 8060(11) shall only be used in connection with 2142(1), WINERIES and/or 0040, VINEYARDS.

8102 SEED MERCHANTS - including operation of seed sorting machinery.

8116 FARM MACHINERY DEALERS - shop and outside - including demonstration and repair.

8117 STORES - feed, tack and farm supplies - retail

8209 VEGETABLES - fresh vegetable and tomato packing and handling - including storage.

Extended Classification Schedule -Farm-Related Classifications (cont'd)

**Code
No.**

- 8215(1)** **HAY GRAIN OR FEED DEALERS** - classification 8215(1) shall not be used for division of payroll in connection with classification 8232(3), "Fuel and Material Dealers", unless the operation described by classification 8215(1) constitutes a separate and distinct enterprise having no connection with the operations covered by classification 8232(3).
- 8215(2)** **WAREHOUSES - GRAIN OR BEAN** - including bean cleaning and handling. Classification 8215(2) shall not be used for division of payroll in connection with classification 8232(3), "Fuel and Material Dealers", unless the operation described by classification 8215(2) constitutes a separate and distinct enterprise having no connection with the operations covered by classification 8232(3).
- 8291** **WAREHOUSES** - cold storage.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 01 A

POLICY NUMBER: 4087019844

POLICY AMENDATORY ENDORSEMENT--CALIFORNIA

It is agreed that, anything in the policy to the contrary notwithstanding, such insurance as is afforded by this policy by reason of the designation of California in Item 3 of the Information Page is subject to the following provisions:

- 1. Minors Illegally Employed--Not Insured.** This policy does not cover liability for additional compensation imposed on you under Section 4557, Division IV, Labor Code of the State of California, by reason of injury to an employee under sixteen years of age and illegally employed at the time of injury.
- 2. Punitive or Exemplary Damages--Uninsurable.** This policy does not cover punitive or exemplary damages where insurance of liability therefor is prohibited by law or contrary to public policy.
- 3. Increase in Indemnity Payment--Reimbursement.** You are obligated to reimburse us for the amount of increase in indemnity payments made pursuant to Subdivision (d) of Section 4650 of the California Labor Code, if the late indemnity payment which gives rise to the increase in the amount of payment is due less than seven (7) days after we receive the completed claim form from you. You are obligated to reimburse us for any increase in indemnity payments not covered under this policy and will reimburse us for any increase in indemnity payment not covered under the policy when the aggregate total amount of the reimbursement payments paid in a policy year exceeds one hundred dollars (\$100).

If we notify you in writing, within 30 days of the payment, that you are obligated to reimburse us, we will bill you for the amount of increase in indemnity payment and collect it no later than the final audit. You will have 60 days, following notice of the obligation to reimburse, to appeal the decision of the insurer to the Department of Insurance.

- 4. Application of Policy.** Part One, "Workers Compensation Insurance", A, "How This Insurance Applies", is amended to read as follows:

This workers compensation insurance applies to bodily injury by accident or disease, including death resulting therefrom. Bodily injury by accident must occur during the policy period. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the policy period.

- 5. Rate Changes.** The premium and rates with respect to the insurance provided by this policy by reason of the designation of California in Item 3 of the Information Page are subject to change if ordered by the Insurance Commissioner of the State of California pursuant to Section 11737 of the California Insurance Code.

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Page 1 of 2

WC 04 03 01 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

6. **Long Term Policy.** If this policy is written for a period longer than one year, all the provisions of this policy shall apply separately to each consecutive twelve-month period or, if the first or last consecutive period is less than twelve months, to such period of less than twelve months, in the same manner as if a separate policy had been written for each consecutive period.
7. **Statutory Provision.** Your employee has a first lien upon any amount which becomes owing to you by us on account of this policy, and in the case of your legal incapacity or inability to receive the money and pay it to the claimant, we will pay it directly to the claimant.

It is further agreed that this policy, including all endorsements forming a part thereof, constitutes the entire contract of insurance. No condition, provision, agreement, or understanding not set forth in this policy or such endorsements shall affect such contract or any rights, duties, or privileges arising therefrom.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 03

POLICY NUMBER: 4087019844

**OFFICERS AND DIRECTORS COVERAGE/EXCLUSION ENDORSEMENT -
CALIFORNIA**

If the employer named in ITEM 1 of the Information Page is a private corporation whose officers and directors are the sole shareholders, this policy applies to all such officers and directors, as employees, except those excluded below or named as excluded in ITEM 4 of the Information Page.

OFFICERS AND DIRECTORS EXCLUDED

TITLE

ROBERT C. CAMPBELL

PRES/SECT/CF

DATE OF ISSUE: 06-06-11

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 10

POLICY NUMBER: 4087019844

DUTY TO DEFEND-CALIFORNIA

The insurance afforded by Part One, Section C, "We Will Defend", is hereby deleted and replaced with the following:

WE WILL DEFEND

We have the right and duty to defend at our expense any claim or proceeding against you before the California Workers' Compensation Appeals Board or its equivalent in any other state (and any appeal of a decision therefrom) for the benefits payable by this workers' compensation insurance. We have the right to investigate and settle these claims or proceedings.

We have no duty to defend a claim, proceeding, or suit that is not covered by this insurance.

Nothing contained in this Section shall amend, modify, restrict or otherwise alter any obligations or conditions under Part Two-Employer's Liability Insurance of the policy.

DATE OF ISSUE: 06-06-11

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 60 A

POLICY NUMBER: 4087019844

**EMPLOYERS' LIABILITY COVERAGE
AMENDATORY ENDORSEMENT-CALIFORNIA**

The Insurance afforded by Part Two (Employers' Liability Insurance) by reason of designation of California in Item 3 of the Information page is subject to the following provisions:

A. "How This Insurance Applies," is amended to read as follows:

A. How This Insurance Applies

This employers' liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury means a physical injury, including resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in California.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

C. The "Exclusions" section is modified as follows (all other exclusions in the "Exclusions" section remain as is):

1. Exclusion 1 is amended to read as follows:

1. liability assumed under a contract.

2. Exclusion 2 is deleted.

3. Exclusion 7 is amended to read as follows:

7. damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, termination of employment, or any personnel practices, policies, acts or omissions.

4. The following exclusions are added:

1. bodily injury to any member of the flying crew of any aircraft.
2. bodily injury to an employee when you are deprived of statutory or common law defenses or are subject to penalty because of your failure to secure your obligations under the workers' compensation law(s) applicable to you or otherwise fail to comply with that law.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 04 21

(Ed. 1-08)

POLICY NUMBER: 4087019844

OPTIONAL PREMIUM INCREASE ENDORSEMENT – CALIFORNIA

You must provide us, or our authorized representative, access to records necessary to perform a payroll verification audit. If you fail to provide access within 90 days after expiration of the policy, you are liable to pay a total premium equal to 3 times our current estimate of the annual premium for your policy. In addition, if you fail to provide access after our third request within a 90 day or longer period, you are also liable for our costs in attempting to perform the audit unless you provide a compelling business reason for your failure.

We will contact you to schedule appointments during normal business hours.

We will notify you of your failure to provide access by mailing a certified, return-receipt document stating the increased premium and the total amount of our costs incurred in our attempt(s) to perform an audit. In addition to any other obligations under this contract, 30 days after you receive the notification, you will be obligated to pay the total premium and costs referenced above. If, thereafter, you provide access to your records within three years after the policy expires, or within another mutually agreed upon time, and we succeed in performing the audit to our satisfaction, we will revise your total premium and the costs due to reflect the results of the audit.

DATE OF ISSUE: 06-06-11

EXHIBIT B

POLICY NUMBER: 4087041237

IL P 001 01 04

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site — <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

DATE OF ISSUE: 03-29-12

IL P 001 01 04

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United States Fire Insurance Company
The North River Insurance Company

305 Madison Avenue
Morristown, NJ 07960
973-490-6600

Crum & Forster¹ Privacy Principles

Crum & Forster's Privacy Principles guide our conduct in the collection, use, release and security of personal and confidential information we obtain as part of our business of providing and servicing commercial insurance products, including underwriting, policy administration, insurance claims adjusting, appraisal and loss control services. These principles define Crum & Forster's commitment to the privacy and integrity of the information we accumulate, manage and store.

Who collects and has access to non-public personal information?

Personal information may be collected by and/or shared with employees of Crum & Forster or by any of Crum & Forster's authorized representatives, attorneys, or others who provide services to Crum & Forster in connection with providing and servicing its commercial insurance products, such as claims administrators, independent appraisers, managed care providers, systems vendors, or similar service providers. Crum & Forster requires service providers to honor the privacy principles in the handling of non-public personal information obtained through its business relationship with Crum & Forster. Additionally, Crum & Forster may disclose information to third parties as allowed by law. For example, in response to a subpoena or other order or inquiry of a court, regulator or governmental agency or to its insurers.

Why does Crum & Forster need personal information and what do we do with it?

Crum & Forster limits the collection, disclosure, and use of customer information to only what is needed to properly underwrite and service its insurance products, and/or to fulfill legal or regulatory requirements.

Crum & Forster collects personal information solely for conducting its business of underwriting and servicing and administering its insurance products including, but not limited to:

- Underwriting and renewal of its commercial insurance products;
- Claims Handling and adjusting, including investigation and payment of claims;
- Claims administration and reporting;
- Fraud detection and prevention;
- Loss Control;
- Complying with the law and reporting requirements;
- Business activities that Crum & Forster may legally undertake.

Crum & Forster does not sell information to any third parties, and does not use it for marketing any of its insurance products.

¹ The Crum & Forster family of companies includes:
United States Fire Insurance Company, The North River Insurance Company, Crum & Forster Indemnity Company, Crum & Forster Insurance Company, Crum & Forster Underwriters Co. of Ohio, Crum & Forster Specialty Insurance Company, and Seneca Insurance Company

What types of information are collected?

The type of information that Crum & Forster collects varies according to the insurance product involved, and may include information we receive from you on applications and other forms; information we receive from your employer; information we receive from other sources such as motor vehicle reports.

Safeguarding Your Privacy

Access to non-public personal information is limited to those employees who specifically need such information to conduct their business responsibilities.

If you conclude your relationship with us, we will continue to safeguard your privacy in accordance with the standards described in this notice.

We maintain physical, electronic and procedural safeguards to protect non-public personal information.

Our employees have been provided with a copy of this policy and receive annual training on safeguarding non-public personal information. Employees who violate these standards are subject to disciplinary measures.

About Our Website

Our website is used only to disseminate information. Crum & Forster does not place electronic "cookies" in the browser files of any guests. We do not collect any individual information as a result of the public visiting the site. In other words, we may count how many times our site has been visited, but do not gather any personal information about the visitors. If you send us an email, your communication will identify you to us. However, we will only use the information you provide to respond to your inquiry. The privacy of communication over the Internet cannot be guaranteed. Crum & Forster does not assume any responsibility any loss or damage you may experience or incur by the sending of personal information over the Internet by or to Crum & Forster.

Questions?

If you have any questions concerning our Privacy Principles, please contact our Privacy Compliance Officer at:

Crum & Forster
Attn: Privacy Compliance Officer
305 Madison Avenue
Morristown, New Jersey 07960

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$1,071.00 , and does not include any charges for the portion of losses covered by the United States Government under the Act.

Crum ForsterPN 04 99 01 D
(Ed. 01-11)

POLICY NUMBER:

POLICYHOLDER NOTICE**YOUR RIGHT TO RATING AND DIVIDEND INFORMATION****I. INFORMATION AVAILABLE TO YOU****A. Information Available from Us – CRUM & FORSTER**

- (1) General questions regarding your policy should be directed to: CRUM & FORSTER, 725 SOUTH FIGUEROA STREET, SUITE 2300, LOS ANGELES, CA 90017, ATTN: MARK OWENS, SVP, PHONE: 213-797-3100, FAX: 213-797-3139, WEBSITE: WWW.CFINS.COM, EMAIL: INFORMATION@CFINS.COM
- (2) **Dividend Calculation** – If this is a participating policy (a policy on which a dividend may be paid), upon payment or non-payment of a dividend, we shall provide a written explanation to you that sets forth the basis of the dividend calculation. The explanation will be in clear, understandable language and will express the dividend as a dollar amount and as a percentage of the earned premium for the policy year on which the dividend is calculated.
- (3) **Claims Information** – Pursuant to Sections 3761 and 3762 of the California Labor Code, you are entitled to receive information in our claim files that affects your premium. Copies of documents will be supplied at your expense during reasonable business hours.

For claims covered under this policy, we will estimate the ultimate cost of unsettled claims for statistical purposes eighteen months after the policy becomes effective and will report those estimates to the Workers' Compensation Insurance Rating Bureau of California (WCIRB) no later than twenty months after the policy becomes effective. The cost of any settled claims will also be reported at that time. At twelve-month intervals thereafter, we will update and report to the WCIRB the estimated cost of any unsettled claims and the actual final cost of any claims settled in the interim. The amounts we report will be used by the WCIRB to compute your experience modification if you are eligible for experience rating.

B. Information Available from the Workers' Compensation Insurance Rating Bureau of California

- (1) The WCIRB is a licensed rating organization and the California Insurance Commissioner's designated statistical agent. As such, the WCIRB is responsible for administering the *California Workers' Compensation Uniform Statistical Reporting Plan—1995 (USRP)* and the *California Workers' Compensation Experience Rating Plan—1995 (ERP)*. Contact information for the WCIRB is: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. You may also contact WCIRB Customer Service at 1-888-229-2472, by fax at 415-778-7272, or via the Internet at the WCIRB's website: <http://www.wcirbonline.org>. The regulations contained in the USRP and the ERP are available for public viewing through the WCIRB's website.
- (2) **Policyholder Information** – Pursuant to California Insurance Code (CIC) Section 11752.6, upon written request, you are entitled to information relating to loss experience, claims, classification assignments, and policy contracts as well as rating plans, rating systems, manual rules, or other information impacting your premium that is maintained in the records of the WCIRB. Complaints and Requests for Action requesting policyholder information should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Custodian of Records. The Custodian of Records can be reached by telephone at 415-777-0777 and by fax at 415-778-7272.
- (3) **Experience Rating Form** – Each experience rated risk may receive a single copy of its current Experience Rating Form free of charge by completing a Policyholder Rate Sheet Request Form on the WCIRB's website at <https://wcirbonline.org/ratesheet>. The Experience Rating Form will include a Loss-Free Rating, which is the experience modification that would have been calculated if \$0 (zero) actual losses were incurred during the experience period. This hypothetical rating calculation is provided for informational purposes only.

II. DISPUTE PROCESS

You may dispute our actions or the actions of the WCIRB pursuant to CIC Sections 11737 and 11753.1.

A. Our Dispute Resolution Process

If you are aggrieved by our decision adopting a change in a classification assignment that results in increased premium, or by the application of our rating system to your workers' compensation insurance, you may dispute these matters with us. If you are dissatisfied with the outcome of the initial dispute with us, you may send us a written Complaint and Request for Action as outlined below.

You may send us a written Complaint and Request for Action requesting that we reconsider a change in a

DATE OF ISSUE:

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PN 04 99 01 D

(Ed. 01-11)

classification assignment that results in an increased premium and/or requesting that we review the manner in which our rating system has been applied in connection with the insurance afforded or offered you. Written Complaints and Requests for Action should be forwarded to: CRUM & FORSTER, 725 SOUTH FIGUEROA STREET, SUITE 2300, LOS ANGELES, CA 90017, ATTN: MARK OWENS, SVP, PHONE: 213-797-3100, FAX: 213-797-3139, EMAIL: INFORMATION@CFINS.COM

After you send your Complaint and Request for Action, we have 30 days to send you a written notice indicating whether or not your written request will be reviewed. If we agree to review your request, we must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If we decline to review your request, if you are dissatisfied with the decision upon review, or if we fail to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner as described in paragraph II.C., below.

- B. Disputing the Actions of the WCIRB** – If you have been aggrieved by any decision, action, or omission to act of the WCIRB, you may request, in writing, that the WCIRB reconsider its decision, action, or omission to act. You may also request, in writing, that the WCIRB review the manner in which its rating system has been applied in connection with the insurance afforded or offered you. For requests related to classification disputes, the reporting of experience, or coverage issues, your initial request for review must be received by the WCIRB within 12 months after the expiration date of the policy to which the request for review pertains, except if the request involves the application of the Revision of Losses rule. For requests related to your experience modification, your initial request for review must be received by the WCIRB within 6 months after the issuance, or 12 months after the expiration date, of the experience modification to which the request for review pertains, whichever is later, except if the request for review involves the application of the Revision of Losses rule. If the request involves the Revision of Losses rule, the time to state your appeal may be longer. (See Section VI, Rule 14 of the ERP).

You may commence the review process by sending the WCIRB a written Inquiry. Written Inquiries should be sent to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. Customer Service can be reached by telephone at 1-888-229-2472, and by fax at 415-778-7272.

If you are dissatisfied with the WCIRB's decision upon an Inquiry, or if the WCIRB fails to respond within 90 days after receipt of the Inquiry, you may pursue the subject of the Inquiry by sending the WCIRB a written Complaint and Request for Action. After you send your Complaint and Request for Action, the WCIRB has 30 days to send you written notice indicating whether or not your written request will be reviewed. If the WCIRB agrees to review your request, it must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If the WCIRB declines to review your request, if you are dissatisfied with the decision upon review, or if the WCIRB fails to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner as described in paragraph II.C., below. Written Complaints and Requests for Action should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Complaints and Reconsiderations. The WCIRB's telephone number is 1-888-229-2472, and the fax number is 415-371-5204.

- C. California Department of Insurance – Appeals to the Insurance Commissioner** – If, after you follow the appropriate dispute resolution process described above, we or the WCIRB decline to review your request, if you are dissatisfied with the decision upon review, or if we or the WCIRB fail to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner pursuant to CIC Sections 11737, 11752.6, 11753.1 and Title 10, California Code of Regulations, Section 2509.40 et seq. You must file your appeal within 30 days after we or the WCIRB send you the notice rejecting review of your Complaint and Request for Action or the decision upon your Complaint and Request for Action. If no written decision regarding your Complaint and Request for Action is sent, your appeal must be filed within 120 days after you sent your Complaint and Request for Action to us or to the WCIRB. The filing address for all appeals to the insurance commissioner is:

Administrative Hearing Bureau
California Department of Insurance
45 Fremont Street, 22nd Floor
San Francisco, California 94105

You have the right to a hearing before the insurance commissioner, and our action, or the action of the WCIRB, may be affirmed, modified, or reversed.

III. RESOURCES AVAILABLE TO YOU IN OBTAINING INFORMATION AND PURSUING DISPUTES

- A. Policyholder Ombudsman** – Pursuant to California Insurance Code Section 11752.6, a policyholder ombudsman is available at the WCIRB to assist you in obtaining and evaluating the rating, policy, and claims information referenced in I.A. and I.B., above. The ombudsman may advise you on any dispute with us, the WCIRB, or on an appeal to the insurance commissioner pursuant to Section 11737 of the Insurance Code. The address of the policyholder ombudsman is WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Policyholder Ombudsman. The policyholder ombudsman can be reached by telephone at 415-778-7159 and by fax at 415-371-5288.
- B. California Department of Insurance – Information and Assistance** – Information and assistance on policy questions can be obtained from the Department of Insurance Consumer HOTLINE, 1-800-927-HELP (4357) or <http://www.insurance.ca.gov>. For questions and correspondence regarding appeals to the Administrative Hearing Bureau, see the contact information in paragraph II.C.

This notice does not change the policy to which it is attached.

Page 2 of 2

Crum Forster

NOTICE TO POLICYHOLDERS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY CHANGES

Effective with policies with a 7/1/2011 or subsequent policy inception date, The Workers Compensation and Employers Liability Insurance Policy will reflect several "editorial" changes. This notice has been prepared in conjunction with the implementation of these changes. This notice does not reference every editorial change.

Please read your policy and all endorsements attached to your policy carefully.

These changes will not result in any coverage reductions.

Below is a listing of the endorsements that were changed. Your policy may include some or all of these revised endorsements. Below is a list of endorsements and the reason(s) for the change(s). Revised endorsements will apply to all states unless specific states are mentioned as not applicable.

WC 00 00 00 B—Workers Compensation and Employers Liability Insurance Policy Part Two—Employers Liability Insurance. Reasons for change: 1. Revised name of Act and statute section number. 2. Minor editorial updates.

WC 00 01 02 A—Federal Coal Mine Safety and Health Act Coverage Endorsement. Reasons for change: Revise name of Act and statute section number. **Not applicable** in California, Minnesota, New Jersey, and New York.

WC 00 01 09 B—Outer Continental Shelf Lands Act Coverage Endorsement. Reasons for change: Revise statute section number.

WC 00 03 12 A—Voluntary Compensation and Employers Liability Coverage for Residence Employees Endorsement. Reasons for change: 1. Minor editorial updates. 2. Revise schedule due to classification revision. **Not applicable** in California, Delaware, Massachusetts, Minnesota, New Jersey, New York, Pennsylvania, Texas, and Wisconsin.

WC 00 03 14 A—Workers Compensation and Employers Liability Coverage for Residence Employees Endorsement. Reasons for change: 1. Minor editorial updates. 2. Revise schedule due to classification revision. **Not applicable** in California, Delaware, Massachusetts, Minnesota, New Jersey, New York, Pennsylvania, Texas, and Wisconsin.

WC 89 06 09 C—Policy Termination/Cancellation/ Reinstatement Notice. Reasons for change: 1. Revise title. 2. Update Proof Of Coverage terminology and include references to the Proof Of Coverage Compliance Guide. 3. Revise the spelling of "cancellation/cancelled." 4. Minor editorial updates. 5. Update address information. **Not applicable** in California, Delaware, Massachusetts, New Jersey, New York, Pennsylvania, Texas, and Wisconsin.

Crum Forster

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

NOTICE TO POLICYHOLDER

LOSS CONTROL CONSULTATION SERVICES (California)

Crum & Forster is required by law to provide its policyholders with a description of certain loss control consultation services available at not additional charge. If you would like more information, call Crum & Forster loss control division at 800-972-4848 or 415-541-3200.

For "targeted employers," as defined by Title 8, California Code of Regulations, Section 339.3, we shall provide the following services:

- A. Effective evaluation of the employer's operations, including:
 - 1. Comprehensive on-site consultation for each targeted employer identified by the insurer's annual plan;
 - 2. Discussions with management and, with permission of the employer, non-management personnel; and
 - 3. Review with appropriate personnel of relevant records including, but not limited to, the employer's logs and summary of injuries and illnesses maintained pursuant to section 14301 and the employer's section 3203 injury and illness prevention program;
- B. Identification of the factors most related to the losses experienced by employer, including:
 - 1. First aid and other emergency or post-injury response procedures;
 - 2. Workplace health and safety hazards;
 - 3. Management policy and practices related to loss control;
 - 4. The effectiveness with which the company loss control policy is communicated among management personnel and between management and non-management personnel;
 - 5. The effectiveness of training;
 - 6. The extent and nature of worker participation in health and safety promotion efforts;
 - 7. The adequacy of record keeping; and
 - 8. The adequacy of the employer's section 3203 injury and illness prevention program.

- C. Formulation of recommended loss control measures, including specification of those critical to reduction of the employer's losses or potential for losses;
- D. A written report detailing the consultation provided, the finding of the consultation, and all loss control measures formulated pursuant to paragraph C.; and
- E. Ongoing evaluation of the targeted employer to determine the impact of the consultation on the employer's loss control experience.

For non-targeted employers, loss control consultation services are available, at no additional cost, upon request, and shall include, at a minimum, the following:

- A. A workplace survey, including discussions with management, and where appropriate, non-management personnel with permission of the employer;
- B. Review of injury records with appropriate personnel; and
- C. Development of a plan to improve the employer's health and safety loss control experience, which shall include, where appropriate, modifications to the employer's section 3203 injury and illness prevention program.

Exception: An insurer may, but is not required, to provide loss control consultation services to any insured whose place of employment does not pose significant, preventable health and safety hazards to workers. Criteria for determining that a place of employment does not pose significant preventable health and safety hazards must be clearly identified in the annual plan.

Workers' compensation insurance policyholders may register comments about the insurer's loss control consultation services by writing to: State of California, Department of Industrial Relations, Division of Occupational Safety and Health, P.O. Box 420603, San Francisco, CA 94142.



PN 04 99 02 B
(Ed. 5-02)

POLICYHOLDER NOTICE

CALIFORNIA WORKERS' COMPENSATION INSURANCE RATING LAWS

Pursuant to Section 11752.8 of the California Insurance Code, we are providing you with an explanation of the California workers' compensation rating laws.

1. We establish our own rates for workers' compensation. Our rates, rating plans, and related information are filed with the insurance commissioner and are open for public inspection.
2. The insurance commissioner can disapprove our rates, rating plans, or classifications only if he or she has determined after public hearing that our rates might jeopardize our ability to pay claims or might create a monopoly in the market. A monopoly is defined by law as a market where one insurer writes 20% or more of that part of the California workers' compensation insurance that is not written by the State Compensation Insurance Fund. If the insurance commissioner disapproves our rates, rating plans, or classifications, he or she may order an increase in the rates applicable to outstanding policies.
3. Rating organizations may develop pure premium rates that are subject to the insurance commissioner's approval. A pure premium rate reflects the anticipated cost and expenses of claims per \$100 of payroll for a given classification. Pure premium rates are advisory only, as we are not required to use the pure premium rates developed by any rating organization in establishing our own rates.
4. We must adhere to a single, uniform experience rating plan. If you are eligible for experience rating under the plan, we will be required to adjust your premium to reflect your claim history. A better claim history generally results in a lower experience rating modification; more claims, or more expensive claims, generally result in a higher experience rating modification. The uniform experience rating plan, which is developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner.
5. A standard classification system, developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner. The standard classification system is a method of recognizing and separating policyholders into industry or occupational groups according to their similarities and/or differences. We can adopt and apply the standard classification system or develop and apply our own classification system, provided we can report the payroll, expenses, and other costs of claims in a way that is consistent with the uniform statistical plan or the standard classification system.
6. Our rates and classifications may not violate the Unruh Civil Rights Act or be unfairly discriminatory.
7. We will provide an appeal process for you to appeal the way we rate your insurance policy. The process requires us to respond to your written appeal within 30 days. If you are not satisfied with the result of your appeal, you may appeal our decision to the Insurance commissioner.

CALIFORNIA WORKERS' COMPENSATION INSURANCE NOTICE OF NONRENEWAL

Section 11664 of the California Insurance Code requires us, in most instances, to provide you with a notice of nonrenewal. Except as specified in paragraphs 1 through 6 below, if we elect to nonrenew your policy, we are required to deliver or mail to you a written notice stating the reason or reasons for the nonrenewal of the policy. The notice is required to be sent to you no earlier than 120 days before the end of the policy period and no later than 30 days before the end of the policy period. If we fail to provide you the required notice, we are required to continue the coverage under the policy with no change in the premium rate until 60 days after we provide you with the required notice.



PN 04 99 02 B
(Ed. 5-02)

We are not required to provide you with a notice of nonrenewal in any of the following situations:

1. Your policy was transferred or renewed without a change in its terms or conditions or the rate on which the premium is based to another insurer or other insurers who are members of the same insurance group as us.
2. The policy was extended for 90 days or less and the required notice was given prior to the extension.
3. You obtained replacement coverage or agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
4. The policy is for a period of no more than 60 days and you were notified at the time of issuance that it may not be renewed.
5. You requested a change in the terms or conditions or risks covered by the policy within 60 days prior to the end of the policy period.
6. We made a written offer to you to renew the policy at a premium rate increase of less than 25 percent.
 - (A) If the premium rate in your governing classification is to be increased 25 percent or greater and we intend to renew the policy, we shall provide a written notice of a renewal offer not less than 30 days prior to the policy renewal date. The governing classification shall be determined by the rules and regulations established in accordance with California Insurance Code Section 11750.3(c).
 - (B) For purposes of this Notice, "premium rate" means the cost of insurance per unit of exposure prior to the application of individual risk variations based on loss or expense considerations such as scheduled rating and experience rating.

This notice does not change the policy to which it is attached.



PN 04 99 04
(Ed. 12-01)

POLICYHOLDER NOTICE

CALIFORNIA INSURANCE GUARANTEE ASSOCIATION (CIGA) SURCHARGE

Companies writing property and casualty insurance business in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent, the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share.

California law requires all companies to surcharge policies to recover those assessments. If your policy is surcharged, "CA Surcharge" or "CA Surcharge (CIGA Surcharge)" with an amount will be displayed on your premium notice.

This notice does not change the policy to which it is attached.

Crum Forster**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY - INFORMATION PAGE****INSURER:**

UNITED STATES FIRE INSURANCE COMPANY
HOME OFFICE: MORRISTOWN, NJ
A STOCK INSURANCE COMPANY

POLICY NO: 4087041237

RENEWAL OF: 4087019844
NCCI CO NO: 12777
INSURED ID
NO(S):
CLIENT NO: 3207513

1. THE INSURED AND MAILING ADDRESS:

BOB CAMPBELL RANCHES, INC.
PO BOX 625
LOMPOC CA 93438-0625

PRODUCER NO: 82939
PRODUCER NAME AND ADDRESS:
INTERWEST INSURANCE SERVICES, INC.
PO BOX 255188
SACRAMENTO
CA 95864-5188

INSURED ENTITY: CORPORATION

BUSINESS OF INSURED: AGRICULTURAL PRODUCTION-CROPS; VEGETABLES & MELONS
OTHER WORKPLACES NOT SHOWN ABOVE: (See Extension of Information Page)

2. POLICY PERIOD: FROM 04-01-2012 TO 04-01-2013

Effective 12:01 A.M. Standard Time at the Insured's Mailing Address.

3. COVERAGE:

A. Workers' Compensation Insurance: Part One of the Policy applies to the Workers' Compensation Law of the States Listed here:
CA

B. Employers' Liability Insurance: Part Two of the Policy applies to work in each state listed in Item 3A. The Limits of our liability under Part Two are:

Bodily Injury by Accident:	\$ 1,000,000	Each Accident
Bodily Injury by Disease:	\$ 1,000,000	Policy Limit
Bodily Injury by Disease:	\$ 1,000,000	Each Employee

C. Other States Insurance: Part Three of the Policy applies to All States of the United States, except those listed in Item 3A above and in: ND, OH, WA, WY and in any additional states listed below:

D. This Policy includes these Endorsements and Schedules:
 As per schedule of forms and endorsements.

4. THE PREMIUM for this Policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit. See Extension of Information Page.
DIRECT BILL

Minimum Premium: \$ 1,000
 Audit Period: ANNUAL

Total Estimated
 Annual Cost: \$ 219,655
 Deposit Premium: \$ 219,655

Issued At: **LOS ANGELES CA**
 Date: **03-29-12**

DATE_____
Authorized Representative

Policy Number 4087041237

UNITED STATES FIRE INSURANCE COMPANY
NCCI Carrier Code 12777

NAME AND LOCATION SCHEDULE

Named Insured BOB CAMPBELL RANCHES, INC.

Effective Date: 04-01-2012
12:01 A.M., Standard Time

Agent Name INTERWEST INSURANCE SERVICES, INC.

Agent No. 82939

State: CALIFORNIA
Risk ID 600933

BOB CAMPBELL RANCHES, INC.
1119 WEST LAUREL AVE.
LOMPOC CA 93436
FEIN: 27-4719812
SIC Code: 0161
NAIC Code: 111219
EMP : 132

**WORKERS- COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY EXTENSION OF INFORMATION PAGE**

INSURER:

POLICY NO: 4087041237

UNITED STATES FIRE INSURANCE COMPANY

4. PREMIUM**STATE OF: CALIFORNIA**

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
0001-01 BOB CAMPBELL RANCHES, INC. FEIN # 27-4719812 SIC CODE 0161 NAIC CODE 111219 1119 WEST LAUREL AVE. LOMPOC CA 93436				
FARMS: TRUCK FARMS	0172	\$ 3,500,000	8.23	\$ 288,050.00
CLERICAL OFFICE EMPLOYEES-N.O.C.	8810	\$ 70,000	.76	\$ 532.00

**WORKERS- COMPENSATION AND EMPLOYERS' LIABILITY
INSURANCE POLICY EXTENSION OF INFORMATION PAGE**

INSURER:

POLICY NO: 4087041237

UNITED STATES FIRE INSURANCE COMPANY

4. PREMIUM

STATE OF: CALIFORNIA

Classifications		Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
TOTAL CLASS PREMIUM					\$ 288,582.00
INCREASE LIMITS	1.0125	9812			\$ 3,607.00
EXPERIENCE PREMIUM	.88	9898			\$ -35,063.00
SCHEDULE MODIFICATION	.85	9887			\$ -38,569.00
STANDARD TOTAL					\$ 218,557.00
PREMIUM DISCOUNT	.958	0064			\$ -9,179.00
EXPENSE CONSTANT		0900			\$ 250.00
TERRORISM	.03	9740			\$ 1,071.00
CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)	.00	9741			\$ 0.00
CIGA SURCHARGE	.02285	0989			\$ 4,814.00
CA ADMIN REVOLVING FUND ASSESS	.009669	0987			\$ 2,037.00
CA OCC SAFETY & HEALTH FUND	.00235	9688			\$ 495.00
CA FRAUD ASSESSMENT	.002548	0988			\$ 558.00
CA UNINS EMPL BENEFITS ASSESS	.001362	9686			\$ 287.00
CA SUBS INJ BENEFITS ASSESS	.001255	9687			\$ 264.00
CALIFORNIA LABOR ENFORCEMENT & COMPLIANCE (LECF) ASSESSMENT	.00238	0000			\$ 501.00
FINAL TOTAL					\$ 219,655.00
POLICY TOTAL ESTIMATED COST					\$ 219,655.00

Policy Number
4087041237

Crum Forster

**SCHEDULE OF FORMS AND ENDORSEMENTS
UNITED STATES FIRE INSURANCE COMPANY**

Named Insured BOB CAMPBELL RANCHES, INC.

Effective Date: 04-01-2012
12:01 A.M., Standard Time

Agent Name INTERWEST INSURANCE SERVICES, INC.

Agent No. 82939

WORKERS COMPENSATION FORMS AND ENDORSEMENTS

FM1110754	01-08	POLICYHOLDER DISCLOSURE FOR TERRORISM
WC000001 C	07-97	INFORMATION PAGE - PAGE 1
WC174	04-84	WC AND EMPL LIAB EXTENSION OF INFO PAGE
FM 206.0.2	04-94	SCHEDULE OF FORMS AND ENDORSEMENTS
WC 00 00 00 B		INSURANCE POLICY
FM 206.0.11	11-08	US FIRE INSURANCE COMPANY SIGNATURE PAGE
WC000406		PREMIUM DISCOUNT ENDT
WC 00 04 21 C		CATASTROPHE (OTHER THAN CERT ACTS) ENDT
WC 00 04 22 A		TERRORISM RISK PGM REAUTH ACT DISCL ENDT
FM111.0.755	09-03	CA CANCELATION ENDORSEMENT
WC 04 03 01 A	03-98	CA POLICY AMENDATORY ENDORSEMENT
WC 04 03 03		CA OFFICERS & DIRECTORS COV/EXCL ENDT
WC 04 03 10		CA DUTY TO DEFEND
WC 04 03 60 A		CA EMPLOYERS' LIAB COVG AMENDATORY ENDT
WC 04 04 21		CA OPTIONAL PREMIUM INCREASE ENDORSEMENT
FM1110767	05-11	CALIFORNIA FARM SCHEDULE ENDORSEMENT

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 00 00 B

(Ed. 7-11)

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

In return for the payment of the premium and subject to all terms of this policy, we agree with you as follows:

GENERAL SECTION**A. The Policy**

This policy includes at its effective date the Information Page and all endorsements and schedules listed there. It is a contract of insurance between you (the employer named in Item 1 of the Information Page) and us (the insurer named on the Information Page). The only agreements relating to this insurance are stated in this policy. The terms of this policy may not be changed or waived except by endorsement issued by us to be part of this policy.

B. Who is Insured

You are insured if you are an employer named in Item 1 of the Information Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership's employees.

C. Workers Compensation Law

Workers Compensation Law means the workers or workmen's compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page. It includes any amendments to that law which are in effect during the policy period. It does not include any federal workers or workmen's compensation law, any federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

D. State

State means any state of the United States of America, and the District of Columbia.

E. Locations

This policy covers all of your workplaces listed in Items 1 or 4 of the Information Page; and it covers all other workplaces in Item 3.A. states unless you have other insurance or are self-insured for such workplaces.

**PART ONE
WORKERS COMPENSATION INSURANCE****A. How This Insurance Applies**

This workers compensation insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. Bodily injury by accident must occur during the policy period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

B. We Will Pay

We will pay promptly when due the benefits required of you by the workers compensation law.

C. We Will Defend

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

D. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

E. Other Insurance

We will not pay more than our share of benefits and costs covered by this insurance and other

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

(Ed. 7-11)

insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

F. Payments You Must Make

You are responsible for any payments in excess of the benefits regularly provided by the workers compensation law including those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers compensation law.

If we make any payments in excess of the benefits regularly provided by the workers compensation law on your behalf, you will reimburse us promptly.

G. Recovery From Others

We have your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law.

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties; so may an agency authorized by law. Enforcement may be against us or against you and us.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.
5. This insurance conforms to the parts of the

workers compensation law that apply to:

- a. benefits payable by this insurance;
 - b. special taxes, payments into security or other special funds, and assessments payable by us under that law.
6. Terms of this insurance that conflict with the workers compensation law are changed by this statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this policy.

PART TWO**EMPLOYERS LIABILITY INSURANCE****A. How This Insurance Applies**

This employers liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in a state or territory listed in Item 3.A. of the Information Page.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

B. We Will Pay

We will pay all sums that you legally must pay as damages because of bodily injury to your employees, provided the bodily injury is covered by this Employers Liability Insurance.

The damages we will pay, where recovery is permitted by law, include damages:

1. For which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 00 00 B

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against such third party as a result of injury to your employee;

2. For care and loss of services; and
3. For consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee; provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you; and
4. Because of bodily injury to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

C. Exclusions

This insurance does not cover:

1. Liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. Punitive or exemplary damages because of bodily injury to an employee employed in violation of law;
3. Bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. Any obligation imposed by a workers compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
5. Bodily injury intentionally caused or aggravated by you;
6. Bodily injury occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
7. Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions;
8. Bodily injury to any person in work subject to the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950), the Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173), the Outer Continental Shelf Lands Act (43 USC Sections 1331-1356a), the Defense Base Act (42 USC Sections 1651-1654), the Federal Coal Mine Safety and Health

Act (30 USC Sections 801-945), any other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;

9. Bodily injury to any person in work subject to the Federal Employers' Liability Act (45 USC Sections 51-60), any other federal laws obligating an employer to pay damages to an employee due to bodily injury arising out of or in the course of employment, or any amendments to those laws;
10. Bodily injury to a master or member of the crew of any vessel;
11. Fines or penalties imposed for violation of federal or state law; and
12. Damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872) and under any other federal law awarding damages for violation of those laws or regulations issued thereunder, and any amendments to those laws.

D. We Will Defend

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this insurance. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this insurance.

E. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings;
2. Premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
3. Litigation costs taxed against you;
4. Interest on a judgment as required by law until we offer the amount due under this insurance; and
5. Expenses we incur.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

(Ed. 7-11)

F. Other Insurance

We will not pay more than our share of damages and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

G. Limits of Liability

Our liability to pay for damages is limited. Our limits of liability are shown in Item 3.B. of the Information Page. They apply as explained below.

1. **Bodily Injury by Accident.** The limit shown for "bodily injury by accident—each accident" is the most we will pay for all damages covered by this insurance because of bodily injury to one or more employees in any one accident.
A disease is not bodily injury by accident unless it results directly from bodily injury by accident.
2. **Bodily Injury by Disease.** The limit shown for "bodily injury by disease—policy limit" is the most we will pay for all damages covered by this insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for "bodily injury by disease—each employee" is the most we will pay for all damages because of bodily injury by disease to any one employee.
Bodily injury by disease does not include disease that results directly from a bodily injury by accident.
3. We will not pay any claims for damages after we have paid the applicable limit of our liability under this insurance.

H. Recovery From Others

We have your rights to recover our payment from anyone liable for an injury covered by this insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Actions Against Us

There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and

2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability. The bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Part.

**PART THREE
OTHER STATES INSURANCE**

A. How This Insurance Applies

1. This other states insurance applies only if one or more states are shown in Item 3.C. of the Information Page.
2. If you begin work in any one of those states after the effective date of this policy and are not insured or are not self-insured for such work, all provisions of the policy will apply as though that state were listed in Item 3.A. of the Information Page.
3. We will reimburse you for the benefits required by the workers compensation law of that state if we are not permitted to pay the benefits directly to persons entitled to them.
4. If you have work on the effective date of this policy in any state not listed in Item 3.A. of the Information Page, coverage will not be afforded for that state unless we are notified within thirty days.

B. Notice

Tell us at once if you begin work in any state listed in Item 3.C. of the Information Page.

**PART FOUR
YOUR DUTIES IF INJURY OCCURS**

Tell us at once if injury occurs that may be covered by this policy. Your other duties are listed here.

1. Provide for immediate medical and other services required by the workers compensation law.
2. Give us or our agent the names and addresses of the injured persons and of witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 00 00 B****(Ed. 7-11)**

papers related to the injury, claim, proceeding or suit.

4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

PART FIVE—PREMIUM**A. Our Manuals**

All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this insurance.

B. Classifications

Item 4 of the Information Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy.

C. Remuneration

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your officers and employees engaged in work covered by this policy; and
2. all other persons engaged in work that could make us liable under Part One (Workers Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secured their workers compensation obligations.

D. Premium Payments

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid.

E. Final Premium

The premium shown on the Information Page, schedules, and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is canceled, final premium will be determined in the following way unless our manuals provide otherwise:

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.
2. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force, and increased by our short-rate cancellation table and procedure. Final premium will not be less than the minimum premium.

F. Records

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

G. Audit

You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, and programs for storing and retrieving data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. Insurance rate service organizations have the same rights we have under this provision.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

(Ed. 7-11)

PART SIX—CONDITIONS

A. Inspection

We have the right, but are not obliged to inspect your workplaces at any time. Our inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards. Insurance rate service organizations have the same rights we have under this provision.

B. Long Term Policy

If the policy period is longer than one year and sixteen days, all provisions of this policy will apply as though a new policy were issued on each annual anniversary that this policy is in force.

C. Transfer of Your Rights and Duties

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty days after your death, we will cover your legal representative as insured.

D. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. We must mail or deliver to you not less than ten days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice.
3. The policy period will end on the day and hour stated in the cancellation notice.
4. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

E. Sole Representative

The insured first named in Item 1 of the Information Page will act on behalf of all insureds to change this policy, receive return premium, and give or receive notice of cancellation.

WC 00 00 00 B

(Ed. 7-11)

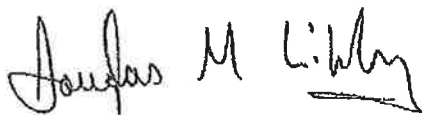
6 of 6

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**United States Fire Insurance Company
A Delaware Corporation
Home Office: Wilmington, DE**

(A Capital Stock Company)

SIGNATURE

A handwritten signature in cursive script, appearing to read "Douglas M. Libby".

Douglas M. Libby
Chairman & CEO

SIGNATURE

A handwritten signature in cursive script, appearing to read "J. Kraus".

James Kraus
Secretary

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 04 06**

POLICY NUMBER: 4087041237

PREMIUM DISCOUNT ENDORSEMENT

The premium for this policy and the policies, if any, listed in Item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Items 1 or 2 of the Schedule. The final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

SCHEDULE

				ESTIMATED ELIGIBLE PREMIUM \$	218,557
1. STATE	FIRST \$5,000	NEXT \$95,000	NEXT \$400,000	BALANCE	
CA	0	.035	.05	.07	

2. AVERAGE PERCENTAGE DISCOUNT: 4.20 %

3. OTHER POLICIES:

4. If there are no entries in Items 1, 2 and 3, of the Schedule see the Premium Discount Endorsement attached to your policy number:

DATE OF ISSUE: 03-29-12

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**WC 00 04 21 C**

(Ed. 9-08)

POLICY NUMBER: **4087041237****CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT**

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of a Catastrophe (other than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism). This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A), attached to this policy.

For purposes of this endorsement, the following definitions apply:

- **Catastrophe (other than Certified Acts of Terrorism):** Any single event, resulting from an Earthquake, Noncertified Act of Terrorism, or Catastrophic Industrial Accident, which results in aggregate workers compensation losses in excess of \$50 million.
- **Earthquake:** The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity.
- **Noncertified Act of Terrorism:** An event that is not certified as an Act of Terrorism by the Secretary of Treasury pursuant to the Terrorism Risk Insurance Act of 2002 (as amended) but that meets all of the following criteria:
 - a. It is an act that is violent or dangerous to human life, property, or infrastructure;
 - b. The act results in damage within the United States, or outside of the United States in the case of the premises of United States missions or air carriers or vessels as those terms are defined in the Terrorism Risk Insurance Act of 2002 (as amended); and
 - c. It is an act that has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- **Catastrophic Industrial Accident:** A chemical release, large explosion, or small blast that is localized in nature and affects workers in a small perimeter the size of a building.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule			
State	Rate	Premium	
CA	.00	\$	0

DATE OF ISSUE: **03 - 29 - 12****WC 00 04 21 C**

(Ed. 9-08)

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 04 22 A

(Ed. 9-08)

POLICY NUMBER: 4087041237

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2007.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, 2008, and ending on December 31, 2014, an amount equal to 20% of our direct earned premiums, over the calendar year immediately preceding the applicable Program Year.

"Program Year" refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a Program Year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate Industry Insured Losses exceed \$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding Item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

DATE OF ISSUE: 03-29-12

WC 00 04 22 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

(Ed. 9-08)

POLICY NUMBER: 4087041237

Schedule

State	Rate	Premium
CA	.03	\$ 1,071

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 04-01-12 Policy No. 4087041237

Endorsement No.

Insured BOB CAMPBELL RANCHES, INC.

Premium \$ INCL.

Insurance Company UNITED STATES FIRE INSURANCE COMPANY

Countersigned By _____

DATE OF ISSUE: 03-29-12

WC 00 04 22 A

(Ed. 9-08)

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

POLICY NUMBER: 4087041237

CALIFORNIA CANCELATION ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because California is shown in Item 3.A. of the information page.

The cancellation condition in Part Six (Conditions) of the policy is replaced by these conditions:

CANCELATION

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy for one or more of the following reasons:
 - a. Non-payment of premium;
 - b. Failure to report payroll;
 - c. Failure to permit us to audit payroll as required by the terms of this policy or of a previous policy issued by us;
 - d. Failure to pay any additional premium resulting from an audit of payroll required by the terms of this policy or any previous policy issued by us;
 - e. Material misrepresentation made by you or your agent;
 - f. Failure to cooperate with us in the investigation of a claim;
 - g. Failure to comply with Federal or State safety orders;
 - h. Failure to comply with written recommendations of our designated loss control representatives;
 - i. The occurrence of a material change in the ownership of your business;
 - j. The occurrence of any change in your business or operations that materially increases the hazard for frequency or severity of loss;
 - k. The occurrence of any change in your business or operation that requires additional or different classification for premium calculation;
 - l. The occurrence of any change in your business or operation which contemplates an activity excluded by our reinsurance treaties.

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POLICY NUMBER: 4087041237

3. If we cancel your policy for any of the reasons listed in (a) through (f), we will give you 10 days advance written notice, stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice. If we cancel your policy for any of the reasons listed in Items (g) through (l), we will give you 30 days advance written notice; however, we agree that in the event of cancellation and reissuance of a policy effective upon a material change in ownership or operations, notice will not be provided.
4. The policy period will end on the day and hour stated in the cancellation notice.
5. Premium Determination – This section amends workers compensation and employers liability insurance policy (WC 00 00 00 A). Part Five -- premium paragraph E. Final Premium, 1.

Premium Determination – Cancellation By The Employer (or By The Company Due To Non-payment Of Premium). First, the premium computed in accordance with Part 1, Section II, Rule 3, will be multiplied by the quotient of the number of days for which the policy was written divided by the number of days the policy remained in force to produce the full policy premium. Second, the extended number of days will be determined by dividing the number of days the policy was in force by the number of days for which the policy was written and multiplying the quotient by 365 days. (When the policy was written for a one-year period, the extended number of days will equal the number of days the policy remained in force.) Third, the customary short rate percentage corresponding to the extended number of days will be obtained from the short rate cancellation table. Fourth, the short rate premium will be equal to the product of the full policy premium times the short rate percentage.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 01 A

POLICY NUMBER: 4087041237

POLICY AMENDATORY ENDORSEMENT--CALIFORNIA

It is agreed that, anything in the policy to the contrary notwithstanding, such insurance as is afforded by this policy by reason of the designation of California in Item 3 of the Information Page is subject to the following provisions:

1. **Minors Illegally Employed--Not Insured.** This policy does not cover liability for additional compensation imposed on you under Section 4557, Division IV, Labor Code of the State of California, by reason of injury to an employee under sixteen years of age and illegally employed at the time of injury.
2. **Punitive or Exemplary Damages--Uninsurable.** This policy does not cover punitive or exemplary damages where insurance of liability therefor is prohibited by law or contrary to public policy.
3. **Increase in Indemnity Payment--Reimbursement.** You are obligated to reimburse us for the amount of increase in indemnity payments made pursuant to Subdivision (d) of Section 4650 of the California Labor Code, if the late indemnity payment which gives rise to the increase in the amount of payment is due less than seven (7) days after we receive the completed claim form from you. You are obligated to reimburse us for any increase in indemnity payments not covered under this policy and will reimburse us for any increase in indemnity payment not covered under the policy when the aggregate total amount of the reimbursement payments paid in a policy year exceeds one hundred dollars (\$100).

If we notify you in writing, within 30 days of the payment, that you are obligated to reimburse us, we will bill you for the amount of increase in indemnity payment and collect it no later than the final audit. You will have 60 days, following notice of the obligation to reimburse, to appeal the decision of the insurer to the Department of Insurance.

4. **Application of Policy.** Part One, "Workers Compensation Insurance", A, "How This Insurance Applies", is amended to read as follows:

This workers compensation insurance applies to bodily injury by accident or disease, including death resulting therefrom. Bodily injury by accident must occur during the policy period. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the policy period.

5. **Rate Changes.** The premium and rates with respect to the insurance provided by this policy by reason of the designation of California in Item 3 of the Information Page are subject to change if ordered by the Insurance Commissioner of the State of California pursuant to Section 11737 of the California Insurance Code.

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Page 1 of 2

WC 04 03 01 A

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

6. **Long Term Policy.** If this policy is written for a period longer than one year, all the provisions of this policy shall apply separately to each consecutive twelve-month period or, if the first or last consecutive period is less than twelve months, to such period of less than twelve months, in the same manner as if a separate policy had been written for each consecutive period.
7. **Statutory Provision.** Your employee has a first lien upon any amount which becomes owing to you by us on account of this policy, and in the case of your legal incapacity or inability to receive the money and pay it to the claimant, we will pay it directly to the claimant.

It is further agreed that this policy, including all endorsements forming a part thereof, constitutes the entire contract of insurance. No condition, provision, agreement, or understanding not set forth in this policy or such endorsements shall affect such contract or any rights, duties, or privileges arising therefrom.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**FARM SCHEDULE ENDORSEMENT - CALIFORNIA**

Farms - Including all employees of whatever nature (other than Private Residence Employees) - engaged upon or in connection with such farm - Including managers, superintendents, foremen and any other persons engaged by or on behalf of the employer to perform farm work for a price per unit, contract or measure.

Classification of Farm Operations**Code
No.**

- 0079(1) **STRAWBERRY CROPS** - This classification applies to all acreage devoted to the raising of strawberries.
- 0079(2) **BUSH BERRY CROPS** - This classification applies to all acreage devoted to the raising of raspberries, ollaleberries (blackberries) and boysenberries.
- 0044 **COTTON FARMS** - This classification applies to all acreage devoted to the raising of cotton.
- 0036 **DAIRY FARMS** - This classification applies to all acreage devoted to the production of milk or cream. The payroll of route drivers delivering bottled milk to retail customers and performing no other duties on the farm premises may be segregated and classified as 2063, "Creameries and Dairy Products Mfg.". The Dairy Farms classification shall also include acreage devoted to the raising of goats.
- 0038(1) **STOCK FARMS** - This classification applies to all acreage devoted to the raising of beef cattle and horses. This classification includes growing incidental feed, hay or grain crops for the purpose of maintaining the subject animals, unless the majority of feed, hay or grain crops are sold commercially and not used by the employer.
- 0038(2) **FEED YARDS** - This classification applies to all operations of feeding cattle, sheep and hogs. This classification includes growing incidental feed, hay or grain crops for the purpose of maintaining the subject animals, unless the majority of feed, hay or grain crops are sold commercially and not used by the employer.
- 0171 **FIELD CROPS** - This classification applies to all acreage devoted to the raising of hay, alfalfa, all the cereal grains - wheat, barley, rice, corn and oats - all sorghums, flax and malze.
- 0016 **ORCHARDS - citrus and deciduous fruits** - This classification applies to all acreage devoted to citrus and deciduous tree crops, as well as avocados and olives.
- 0045 **ORCHARDS - nut crops** - This classification applies to all acreage devoted to nut tree crops, including almonds, walnuts and pistachios.
- 0041 **POTATO CROPS** - This classification applies to all acreage devoted to the raising of all types of potatoes and shall also include sweet potatoes, peanuts and sugar beets.
- 0034(1) **POULTRY RAISING, EGG PRODUCTION AND HATCHERIES** - This classification applies to all acreage devoted to the raising of poultry, turkeys, rabbits and squabs.
- 0034(2) **SHEEP RAISING AND HOG FARMS** - This classification applies to all acreage devoted to the raising of sheep and hogs, but not at Feed Yards.
- 0172 **TRUCK FARMS** - This classification applies to all acreage devoted to the raising of garden vegetables, and shall also include dry peas, dry beans, soy beans, melons, sweet corn, mushrooms, bean sprouts, and flower and vegetable seeds.
- 0040 **VINEYARDS** - This classification applies to all acreage devoted to the raising of all grapes - table, wine or raisin - and shall also include hops and Kadota figs.

Extended Classification Schedule -Farm-Related Classifications (cont'd)

Code No.	
0401	COTTON GIN OPERATION - during both active and dormant seasons - Including Installation or repair of equipment; yard employees; seed or fuel hauliers
2014(1)	GRAIN OR RICE MILLING
2014(2)	FEED MFG. - Preparing or compounding feeds for livestock and poultry.
2063	CREAMERIES AND DAIRY PRODUCTS MFG.
2081	BUTCHERING
2095	MEAT PRODUCTS MFG. -including packaging
2102	FRUIT OR VEGETABLE EVAPORATION OR DEHYDRATING
2107	FRUIT - fresh fruit packing and handling - including storage – N.O.C.
2108	FRUIT - citrus fruit packing and handling - Including storage.
2109	FRUIT - dried fruit packing and handling.
2111(1)	FRUIT OR VEGETABLE PRESERVING – including packaging
2111(2)	OLIVE HANDLING - sorting, curing, packing and canning
2111(3)	PICKLE MFG.
2116	FRUIT JUICE OR CONCENTRATE MFG.
2117	FRUIT OR VEGETABLE PROCESSING - frozen
2123	FRUIT OR VEGETABLE PROCESSING – fresh – ready to eat
2142 (1)	WINERIES - all operations.
2142 (2)	DISTILLING – N.O.C.
2142 (3)	VINEGAR MFG.
6504	FOOD PRODUCTS MFG. OR PROCESSING – N.O.C.
7219	TRUCKING FIRMS – N.O.C.
8060	WINE TASTING ROOMS - classification 8060 shall only be used in connection with 2142(1), WINERIES and/or 0040, VINEYARDS .
8102	SEED MERCHANTS - Including operation of seed sorting machinery.
8116	FARM MACHINERY DEALERS - shop and outside - including demonstration and repair.
8209	VEGETABLES - fresh vegetable and tomato packing and handling - including storage.

Extended Classification Schedule -Farm-Related Classifications (cont'd)

**Code
No.**

- 8215(1) **HAY GRAIN OR FEED DEALERS** - classification 8215(1) shall not be used for division of payroll in connection with classification 8232(3), "Fuel and Material Dealers", unless the operation described by classification 8215(1) constitutes a separate and distinct enterprise having no connection with the operations covered by classification 8232(3).
- 8215(2) **WAREHOUSES - GRAIN OR BEAN** - including bean cleaning and handling. Classification 8215(2) shall not be used for division of payroll in connection with classification 8232(3), "Fuel and Material Dealers", unless the operation described by classification 8215(2) constitutes a separate and distinct enterprise having no connection with the operations covered by classification 8232(3).
- 8291 **WAREHOUSES** - cold storage.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective:

Policy No.:

Endorsement No.:_____

Insured:

Countersigned

By _____

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 03

POLICY NUMBER: 4087041237

**OFFICERS AND DIRECTORS COVERAGE/EXCLUSION ENDORSEMENT -
CALIFORNIA**

If the employer named in ITEM 1 of the Information Page is a private corporation whose officers and directors are the sole shareholders, this policy applies to all such officers and directors, as employees, except those excluded below or named as excluded in ITEM 4 of the Information Page.

OFFICERS AND DIRECTORS EXCLUDED

TITLE

ROBERT C. CAMPBELL

PRES/SECT/CF

DATE OF ISSUE: 03-29-12

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 10

POLICY NUMBER: 4087041237

DUTY TO DEFEND-CALIFORNIA

The insurance afforded by Part One, Section C, "We Will Defend", is hereby deleted and replaced with the following:

WE WILL DEFEND

We have the right and duty to defend at our expense any claim or proceeding against you before the California Workers' Compensation Appeals Board or its equivalent in any other state (and any appeal of a decision therefrom) for the benefits payable by this workers' compensation insurance. We have the right to investigate and settle these claims or proceedings.

We have no duty to defend a claim, proceeding, or suit that is not covered by this insurance.

Nothing contained in this Section shall amend, modify, restrict or otherwise alter any obligations or conditions under Part Two-Employer's Liability Insurance of the policy.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 60 A

POLICY NUMBER: 4087041237

**EMPLOYERS' LIABILITY COVERAGE
AMENDATORY ENDORSEMENT-CALIFORNIA**

The insurance afforded by Part Two (Employers' Liability Insurance) by reason of designation of California in Item 3 of the information page is subject to the following provisions:

A. "How This Insurance Applies," is amended to read as follows:

A. How This Insurance Applies

This employers' liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury means a physical injury, including resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in California.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

C. The "Exclusions" section is modified as follows (all other exclusions in the "Exclusions" section remain as is):

1. Exclusion 1 is amended to read as follows:

1. liability assumed under a contract.

2. Exclusion 2 is deleted.

3. Exclusion 7 is amended to read as follows:

7. damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, termination of employment, or any personnel practices, policies, acts or omissions.

4. The following exclusions are added:

1. bodily injury to any member of the flying crew of any aircraft.
2. bodily injury to an employee when you are deprived of statutory or common law defenses or are subject to penalty because of your failure to secure your obligations under the workers' compensation law(s) applicable to you or otherwise fail to comply with that law.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 04 21

(Ed. 1-08)

POLICY NUMBER: 4087041237

OPTIONAL PREMIUM INCREASE ENDORSEMENT – CALIFORNIA

You must provide us, or our authorized representative, access to records necessary to perform a payroll verification audit. If you fail to provide access within 90 days after expiration of the policy, you are liable to pay a total premium equal to 3 times our current estimate of the annual premium for your policy. In addition, if you fail to provide access after our third request within a 90 day or longer period, you are also liable for our costs in attempting to perform the audit unless you provide a compelling business reason for your failure.

We will contact you to schedule appointments during normal business hours.

We will notify you of your failure to provide access by mailing a certified, return-receipt document stating the increased premium and the total amount of our costs incurred in our attempt(s) to perform an audit. In addition to any other obligations under this contract, 30 days after you receive the notification, you will be obligated to pay the total premium and costs referenced above. If, thereafter, you provide access to your records within three years after the policy expires, or within another mutually agreed upon time, and we succeed in performing the audit to our satisfaction, we will revise your total premium and the costs due to reflect the results of the audit.

DATE OF ISSUE: 03-29-12